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From: General Secretariat of the Council

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To: Delegations

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Subject: Conclusions on a farmer-focused post-2027 Common Agricultural Policy

At the meeting of the "Agriculture and Fisheries" Council on 21 and 22 October 2024, discussions did not lead to reaching a consensus on conclusions on a farmer-focused post-2027 Common Agricultural Policy. However, the Presidency concluded that the text annexed to this note was supported or not objected to by 26 delegations.

Conclusions**on a farmer-focused post-2027 Common Agricultural Policy:****Towards a competitive, crisis-proof, sustainable, farmer-friendly and knowledge-based future
EU agriculture**

THE PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

1. HAVING REGARD to the legally binding objectives of the Common Agricultural Policy (CAP) defined in Article 39 of the Treaty on the Functioning of the European Union (TFEU), pursuant to which the post-2027 CAP shall increase agricultural productivity, thus to ensure a fair standard of living for the agricultural community, stabilise markets, assure the availability of supplies and ensure reasonable prices for consumers.
2. RECOGNISING the horizontal objectives contained in the Treaty on European Union and the TFEU that are applicable to all policies and therefore also to the CAP, including in Article 11 of the TFEU.
3. CONSIDERING that the proposals relating to the next Multiannual Financial Framework will be issued by the Commission next year and that they are of great importance to agriculture and rural development policies. These conclusions are without prejudice to the outcome of negotiations relating to them.
4. RECALLING the Conclusions of the European Council adopted on the 31st of May 2022, which underlined the importance of the CAP in the EU's contribution to food security, and the Conclusions of the European Council adopted on the 22nd of March 2024, which underlined the essential role of the CAP regarding a resilient and sustainable agricultural sector for food security, the Union's strategic autonomy and the value of vibrant rural communities. They also underlined that farmers need a stable and predictable framework, including to accompany them in tackling environmental and climate challenges.

5. RECALLING that the adoption of the new requirements of the current CAP raised serious concerns among the farming society and that the co-legislators reacted by amending certain basic requirements of the CAP.
6. REFERRING to the Council Conclusions on a Long-Term Vision for the EU's Rural Areas approved on the 20th of November 2023 under the Spanish Presidency.
7. REFERRING to the Presidency Conclusions supported by 26 Member States on the future of agriculture in the EU adopted on the 24th of June 2024 under the Belgian Presidency.
8. RECALLING the Strategic Agenda adopted on the 27th of June 2024 that sets the EU's political priorities for 2024-2029, including that the European Union will promote a competitive, sustainable and resilient agricultural sector that continues to ensure food security and vibrant rural communities. It also emphasises the need to strengthen the position of farmers in the food supply chain, while continuing to protect nature and reverse the degradation of ecosystems and strengthening water resilience across the Union.
9. TAKING NOTE of the political guidelines for the next European Commission (2024–2029) published on the 18th of July 2024, which stress the importance of building a competitive, sustainable and resilient agriculture and food system; underline that farmers' fair and sufficient income is vital; state the need to reward farmers working with nature, preserving our biodiversity and natural ecosystems and helping to decarbonise our economy on the way to net-zero by 2050; call to protect Europe's own food sovereignty and mention the need for a new European Water Resilience Strategy to ensure sources are properly managed.
10. TAKING NOTE of the results of other initiatives on the future CAP, such as the opinion of the European Economic and Social Committee "Towards the Common Agricultural Policy (CAP) post-2027" and the report from the Strategic Dialogue on the Future of Agriculture in the EU.

Farmer-focused future CAP rewarding the efforts of farmers

11. HIGHLIGHTS that the EU agricultural sector, supported by the CAP, provides all EU citizens with quality and affordable food and basic public goods as a cornerstone of the European economy and society, and plays a strategic role in maintaining viable and diverse rural areas and agricultural activities throughout the Union, preserving food security, the European way of life, cultural traditions and ecosystems.
12. STRESSES the importance of a trust-based partnership with farmers and the need to put the interest of farmers at the centre of the CAP in order to successfully deliver on enhanced policy objectives. HIGHLIGHTS that the CAP should continue to exist as a common policy instrument of strategic importance, in particular against the background of its irreplaceable contribution to food security and food safety in Europe and the world. UNDERLINES the necessity of coherence and synergies between different policy fields and proper assessment of the impacts on agriculture and rural areas.
13. Without pre-empting the next Multiannual Financial Framework, NOTES that dedicated and appropriate resources and instruments are needed for the CAP in order to efficiently respond to its multiple objectives and that a fair distribution of CAP support, in particular direct payments, among Member States is a sensitive issue and an adequate solution should be sought.
14. NOTES that the CAP is fit for the policy-based distribution of agricultural funds, therefore URGES to maintain a separate and independent CAP containing two pillars with enhanced coherence.
15. CALLS for strong first pillar measures, where direct payments, coupled income support and sectoral interventions support farmers' income stability, incentivise their contribution to the green transition, and where market measures act as a safety net in times of crisis.
16. STRESSES the need to continue with strong second pillar measures dedicated to rural development by supporting the viability of rural areas through instruments covering agricultural and non-agricultural activities and the use of financial instruments, also with a view to contributing to the green transition.

Enhancing competitiveness and improving farmers' position within the food-chain

17. STRESSES that, besides maintaining the market orientation of the CAP, there is a need to improve the functioning of the food supply chain, the distribution of value added and the remuneration of farmers through enhanced transparency, improved contractualisation, organisation and cooperation within the agricultural sector, the promotion of sustainability agreements, short value chains, and the fight against unfair trading practices.
18. UNDERLINES the importance of farmers' income stability, therefore a basic amount of income support is needed to maintain economically viable and competitive agricultural activities and food production in all regions of the EU.
19. HIGHLIGHTS the importance of family farms, including small ones, as essential assets of the European agricultural model and CALLS for the introduction of dedicated and simple measures to assist their agricultural activities taking into account regional and local specificities.
20. RECOGNISES the negative trend of aging farmer population and the importance of sufficient generational renewal and increased participation of women, which are necessary to ensure the continuity of agricultural production and the viability of rural areas, therefore CALLS to further strengthen the support for young farmers; to help them to start or continue agricultural activities; to facilitate access to financial resources and agricultural land; to incentivise the transfer of farms to make agriculture more attractive to the younger generation and new entrants.
21. EMPHASISES that support for investments is needed to promote competitiveness and sustainability throughout the food chain and enhance rural infrastructure. STRESSES the need to improve access to financing and to further facilitate the use of financial instruments.
22. UNDERLINES that farming in areas with natural constraints requires more efforts, while the maintenance of agricultural activity and human presence is explicitly necessary for the ecological, social and economic balance of those areas. Therefore, farmers can be compensated for their efforts, additional costs and income foregone incurred in those areas.

23. ACKNOWLEDGES the specific agricultural characteristics and needs of the islands and island-states, areas with high population density, mountainous areas, remote regions, northern regions and in line with Article 349 of the TFEU the outermost regions of the EU, which require special treatment.

Farmer-friendly delivery model

24. RECOGNISES that the performance-based delivery model of CAP funds is providing Member States with flexibility and therefore should be maintained, but UNDERLINES that existing rules and procedures have resulted in unnecessary administrative burden and requirements both for farmers and national administrations, therefore CALLS for more strategic, substantially less complicated, coherent and easily implementable, more farmer-friendly rules for the CAP Strategic Plans, while ensuring stability. EMPHASISES that further improvement of the results-based architecture of the CAP is needed.
25. URGES to simplify and accelerate the approval and modification procedure of CAP Strategic Plans, focusing on their strategic nature with reduced level of details and thus allow for swift adoption and response to address the specific needs and changing circumstances.
26. POINTS OUT that further development and utilisation of digital technologies should aim at reducing the administrative workload both for farmers and administrations, by increasingly assisting monitoring and controls, easing farmers' reporting and documentation obligations and simplifying the quality assessment requirements.
27. EMPHASISES that the monitoring and evaluation system should be more efficient, transparent and simplified concerning the set of indicators, the necessary details of the control and sanction system, and the evaluation of the CAP Strategic Plans, and must not increase the pressure of on-the-spot checks. BELIEVES that the system of unit amounts should be re-examined, particularly for non-IACS measures.

Further incentivising farmers towards green transition for a more sustainable agricultural sector

28. HIGHLIGHTS the crucial and active role agriculture and farmers play in the green transition and UNDERLINES that, in the field of agriculture, the CAP contributed the most to the climate and environmental objectives of the EU.

29. STATES that the green transition can be achieved only in partnership with farmers, therefore EMPHASISES that they have to be adequately incentivised and made interested in applying ecologically-responsible agricultural production practices by remunerating them beyond the costs and income foregone for their ecosystem services.
30. ACKNOWLEDGES that the proper functioning and preservation of ecosystems is crucial to ensure food security, therefore it is inevitable for the CAP to continue to contribute to the transition of the farming sector towards more sustainable practices helping to achieve the EU's climate, biodiversity, environmental, organic farming, animal welfare and other sustainability objectives, and RECALLS the need to ensure the right balance between economic, social and environmental sustainability, making the contribution to ecosystem services attractive.
31. RECALLS the fact that agricultural emissions also arise from natural processes, therefore the agricultural sector has natural limits in reducing greenhouse gas emissions. STRESSES that solutions underpinned by research and innovation can help to cut greenhouse gas emissions from agriculture.
32. RECALLS that complying with certain standards of conditionality is challenging for some farmers, therefore EMPHASISES the need to adjust the rules to be more feasible and easier for the farmers to comply with.
33. RECALLS that the eco-schemes have been introduced to increase the sector's contribution to the climate, environmental and animal welfare goals; and CALLS for strengthening the role of these measures as the main green transition tool of the first pillar. STRESSES that, in order to fully realise their potential, possibilities should be explored with a view to streamlining and simplifying requirements to facilitate practical implementation, while allowing Member States the necessary flexibility for handling their specificities.
34. RECOGNISES that voluntary agri-environmental-climate measures of the second pillar with an incentive-based approach constitute a key instrument in safeguarding the environment and promoting sustainable agricultural practices and therefore should be further developed.

35. BELIEVES that farmers need to be incentivised and supported to apply innovative, smart technologies as well as agroecological and carbon farming practices, which can further contribute to reach the climate and environmental objectives and facilitate the green transition.

Managing risks and handling crises for a crisis-proof EU agriculture

36. RECALLS that the increasing number of natural and market related crises such as extraordinary weather events, more frequent and intense animal diseases and plant pests, high input costs, disturbances stemming from external market shocks caused severe losses and damage, and significantly deteriorated the competitiveness and resilience of the sector.
37. EMPHASISES the need to raise awareness, improve climate adaptation, and to further promote risk prevention measures and climate preparedness among farmers, and to adopt appropriate risk-management tools and strategies, while not hampering market-based solutions. POINTS OUT that means of risk management should be further developed to enhance the resilience of the sector and to encompass a wide range of flexible measures for insurance and mutual funds, which are attractive to beneficiaries.
38. RECOGNISES that water is a key resource for agriculture production and EMPHASISES the importance of enhancing the resilience of water bodies, water availability and management in the EU. ENCOURAGES the Commission to take into account the agricultural specificities in ongoing and future water-related initiatives.
39. EMPHASISES the need to improve the existing crisis policy framework with more flexible rules that empower Member States and the European Commission for reactive, rapid, efficient, transparent and non-discriminatory response to crisis situations to mitigate the adverse effects on the farming sector.
40. CALLS to provide Member States with more flexibility in using the instruments of the CAP to react to regional or national crisis situations.
41. CONSIDERS that the CMO regulation provides an appropriate legal toolkit to support farmers affected by various types of crisis situations, but HIGHLIGHTS the need for faster and simpler procedures for providing exceptional support for farmers.

Research and innovation driven knowledge-based agriculture for the green transition

42. HIGHLIGHTS that research and innovation is a key driver in sustainable and competitive agri-food production and processing, and play a pivotal role in achieving sustainable, safe, healthy, nutritious and affordable food.
43. RECOGNISES the important role and effectiveness of Agricultural Knowledge and Innovation Systems (AKIS) in advancing knowledge-based agriculture, and the significant progress of the EU CAP Network in strengthening the knowledge system for the environment and the climate.
44. UNDERLINES the role of circular economy and bioeconomy in helping to efficiently deploy biological resources, innovative methods and nature-based practices to support the green transition of the farming and forestry sectors, and RECOGNISES the importance of the CAP in this regard. STRESSES that the new CAP should further promote, diversify and integrate the role of biomass as the primary source of renewable carbon.
45. ACKNOWLEDGES the financial difficulties to invest in innovation and NOTES that the lack of access to knowledge hinders the adoption of various sustainable technologies. STRESSES the need for applied research, technical solutions and innovations that respond to the diversity of the sector, in order to create impact and better engage farmers, foresters and other rural stakeholders into the innovation process.

46. INVITES the new Commission to consider these conclusions when preparing the Vision for Agriculture and Food in the first 100 days of its mandate.
47. CALLS on the new Commission to take into account these conclusions when preparing the legislative proposals on the post-2027 Common Agricultural Policy, and STRESSES the need for their timely adoption, to provide sufficient time for the co-decision procedure. REMINDS it that the co-legislators bear the political responsibility for the policy choices included in the CAP legislative measures.