

European AgriCultural Convention

A Rural Future for the Larger Europe



**RECOMMENDATIONS DOCUMENT
TO THE CONVENTION ON
THE FUTURE OF EUROPE**

24 - 25 June 2002

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A Rural Future for a larger Europe

The European AgriCultural Convention (EAC) is a civil society platform putting forward solutions for European agriculture and rural perspectives in an enlarged Europe which allows policy makers and ministers, together with civil society organisations (NGO's, farmers unions, consumer organisations, experts in agriculture and rural development and individual citizens) to come together in a forum and discuss our collective future. We aim to provide recommendations for the Convention on the Future of Europe and to the European Commission with regard to the Mid Term Review of the Common Agricultural Policy.

This creative and innovative approach involved input through internet contributions from regional working groups and individuals spread across the wider Europe, including the new member states. On 6 and 7 June 2002, a public round table negotiation was held in the European Parliament, attended by civil society, Mr. Valéry Giscard d'Estaing and agriculture Ministers from across the wider Europe.

The European AgriCultural Convention is patroned by the Chair and Vice-Chair of the European Parliament's Committee on Agriculture and Rural Development, Mr. Joseph Daul and Wilhelm-Friedrich Graefe zu Baringdorf, and has the wholehearted backing of the Chair of the European Convention on the Future of Europe, Mr. Giscard d'Estaing.

This document provides recommendations to the Convention on the Future of Europe. It should not be seen as a closed document. It offers a provocative first series of recommendations for a wide and long-term view, rising above the immediate politics of today and yet candidly addressing some of the major dilemmas of an expanding and changing Europe. The paper is structured to reflect that wider view. It starts by stating a vision for the future Europe and for the role that rural areas and agriculture may play within that future Europe.

The EAC being an ongoing process, we would like to invite the Members of the European Convention on the Future of Europe to give their feedback on this document and open up a positive dialogue.

Dear Members of the Convention, please let us hear from you.

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**Recommendation document delivered on the occasion of the plenary session of the
Convention on the Future of Europe 24th June 2002**

The following document is divided into five main approaches:

- A. A CONTRACT FOR SUSTAINABLE DEVELOPMENT**
- B. AN INTEGRATED AND TERRITORIAL APPROACH TO RURAL DEVELOPMENT**
- C. A FUTURE COMMON AGRICULTURAL AND RURAL POLICY (CARP)**
- D. THE PROCESS OF ENLARGEMENT**
- E. EUROPEAN INSTITUTIONS**

Underlined portions represent recommendations to the Convention on the Future of Europe. Text in italics represents areas of ongoing discussion.

A) A CONTRACT FOR SUSTAINABLE DEVELOPMENT

1. **Vision:** The European Convention on the Future of Europe (herein after called “the Convention”) can, and should, take a long-term view of the future of Europe and the European Union. It should articulate a clear vision for what Europe should be like in 20 years’ time, when the Union embraces a large part of the geographic continent. Its recommendations for the institutions and instruments of the future European Union should be guided strongly by that vision, and not mainly by the immediate pre-occupations which face the Union today.
2. **Multifunctional role:** The European Treaty should be revised to take account of the changing role of European agriculture and forestry to include the aim of sustainable development of rural areas. The existing focus on increased agricultural production has to be replaced by a system that enables farmers to generate sufficient income from a sustainable yield, whilst continuing to improve the quality of food and other products and services. The European Union of the future should protect the public goods and services that agriculture provides in addition to food production.
3. **New rights:** The European Charter of Fundamental Human Rights should include a right for all citizens to have access to healthy food, to transparent information about its production and safety and the right to produce and consume GMO-free food. Furthermore, it should include the right to a healthy environment and clean water, and the right of those who provide and maintain such public goods and services to appropriate reward.
4. **A force for peace, justice and stability:** The EU should be a force for peace, equality, security and justice worldwide. This should be a Europe based on solidarity and cohesion, capable of addressing the disparities between different peoples and regions which will exist within an expanding Union. It should also apply these principles in its relations with the outside world,

aiming at the progressive reduction of inequalities between continents and countries, with particular attention to the poor in developing countries. To this end, the European Union should propose a Contract for Sustainable Development, in which it lays down its global responsibilities for its citizens in an enlarged Union and for its partners in a multi-polar world. It should set measurable, transparent, meaningful and effective indicators which meet the essential requirements for long term ecological, socio-cultural and economic development. The EU should ensure that the economic costs of meeting these ambitions are met.

5. **Immigration:** The EU will continue to be a destination for migrants, many of which will work in the agricultural sector. The EU should recognise its responsibility to assist in sustainably developing the countries of origin to strengthen democracy, to create fair trading relationships and to prevent or repair environmental degradation.
6. **Role of multi-functional agriculture:** Agriculture should be perceived as a key sector for the well-being of rural people and communities, for the chains of added value upstream and downstream of agriculture. The Contract for Sustainable Development should specifically emphasise the importance of European rural areas and the new role of a multi-functional agriculture in ensuring the security, safety and quality of all food produced in Europe.
7. **Empowering citizens:** The long-established traditions of democracy in Europe, coupled with the pride of individual nations and ethnic groups, point towards a Europe in which initiative lies strongly with citizens, rather than primarily with governments or inter-governmental institutions. The challenge is to release the enterprise and the energy of people at local level to take control of their own destinies. Therefore, the European Charter of Fundamental Human Rights should include the right for self-determination of communities, territories and nations within the European framework of solidarity and cohesion. Governments and the European Union should take active steps to empower the people; to promote participatory democracy; and to support the emergence and the activity of non-governmental organisations in rural areas throughout Europe, notably in the future new Member States. Instruments for better communication between citizens and governments should be introduced, in order to avoid the excessive influence of specific lobbies.

B) AN INTEGRATED AND TERRITORIAL APPROACH TO RURAL DEVELOPMENT

1. **Context:** More than four-fifths of the land surface of Europe, and nearly half of its population, fall within rural areas. They provide living space and livelihood for hundreds of millions of people, a large part of the food and other basic resources, and the space for recreation, which

should be seen as a right for all European citizens. Moreover, European rural areas provide attractions for visitors.

2. **Diverse solutions for diverse areas:** European rural areas are highly diversified with multiple functions, demanding solutions specific to each area. Rural development is an integral part of regional development, taking into account the specificities of rural areas compared to those of cities and areas of urban agglomerations. Thus there is a need for an integrated and territorial approach to the planning and management of those areas.
3. **A territorial approach:** Territorial governance means the political recognition of defined territories, in which local identities become powerful forces for local development in a globalised world economy. Territorial governance should bring forth a new generation of integrated territorial plans and programmes of rural Europe, drawing upon the experience of recent years and using appropriate institutional, legal and financial instruments. A Common Rural Policy, broader than but encompassing the CAP, should be an integral part of a consistent multi-level framework of “territorial governance”, shaped by the principles of subsidiarity and solidarity. *The Convention should consider whether a separate but comprehensive rural policy is needed, not only as part of the CAP but as a new policy area.*
4. **Horizontal and vertical partnerships:** The plans and programmes should put strong emphasis upon horizontal and vertical partnerships between national and provincial governments and local authorities; and upon local partnerships between the public, private and voluntary sectors, building upon the experience of the LEADER initiative. Territorial partnerships should be endowed with the necessary legitimacy, recognition and means to plan, implement and manage sustainable development in rural areas. The regional distribution of funding should be radically reviewed on the basis of a new typology of rural areas and a proportional system of co-funding according to population density, the socio-economic situation and specific features or needs, including low population levels.
5. **Innovative networks building human and social capital:** The plans and programmes should facilitate innovative solutions supported by appropriate research activities and competence networks within and between rural areas. Bottom-up initiatives and participatory decision-making should be encouraged and supported by corresponding top-down structures and activities. New partnerships should be recognised as a means of achieving the renewal of institutions as well as citizen support and involvement. Specific attention should be given to the strengthening of local public infrastructures; to the development of entrepreneurship and exchange of best practices; and to giving young people the opportunity to combine their own future prospects with those of the area in which they grow up.
6. **Strengthened rural-urban linkages:** Rural areas should be regarded as “learning regions”, whose actors are systematically supported to accumulate the human capital of knowledge and

experience. The future rural Europe should be the Europe of networks and of co-operation. Rural programmes should help to strengthen links between rural areas, within and outside the EU; to enhance the strategic role of rural towns; to establish creative links with urban centres and metropolitan areas; and to strengthen links between urban areas and their surrounding rural areas. Inter-regional co-operation between educational institutions (and between local or regional bodies) should also be encouraged. New information and communication technologies should be used to facilitate such “capacity building networks”.

C) A FUTURE COMMON AGRICULTURAL AND RURAL POLICY (CARP)

1. **A changing landscape:** Agriculture and forestry have been, and will continue to be, fundamental to shaping the diversity of identities, cultures and traditions of Europe. But agriculture and forestry have undergone a radical change, in response to cheap fossil energy, modern technology, global trade, and, most recently, to public concerns about food quality, human health, animal welfare, cultural and natural heritage and the recreational value of rural landscapes. Europe needs agriculture and forestry in the dual role as archive of the past and laboratory for the future: they should be seen as – literally – the “primary” sector which leads the way towards sustainable development in Europe.
2. **Economic, social and environmental sustainability:** A future Common Agricultural and Rural Policy (CARP) should be oriented towards the overall principles of sustainable development. It should ensure the viability of agricultural production and employment in Europe and the future prospects of young farmers; protect environmental resources such as soil, water and biodiversity; provide healthy food; ensure the welfare of animals. It should implement the polluter-pays-principle; foster local economies and small infrastructures; enhance related value chains and regional distribution channels; safeguard the prosperity of village communities and towns; respect people’s cultural identities and integrity and serve their economic, social, cultural and environmental needs.
3. **Conditionality and public services:** Conditionality of public aid to agriculture should be used to ensure that farming practices by themselves produce positive external environmental, social and cultural effects, thus saving public costs. In the horizontal regulation, equitable modulation and cross-compliance instruments should be simplified and reinforced at the EU level, to enhance sustainable farming in the first pillar. Where farmers produce additional public goods, they should be rewarded by society. The creation or maintenance of jobs should be taken into account as a main criterion for support.

4. **Review of development instruments:** There is a strong case for a radical review of all the main instruments now used in the EU to promote social and economic development – the CAP and the FEOGA, and the Structural Funds, the ESF and ERDF. It may be right to distinguish clearly between agricultural and rural development elements, now linked within the CAP; to cut through the divide between the Rural Development Regulation and the Social and Regional Development Funds; and to create instruments which more directly reflect the essential need for territoriality and integration at the point of delivery, while meeting the re-distributive aims of cohesion. According to the cohesion principle, a new typology of rural areas should be implanted with different degrees of community co-financing depending upon population, levels of income and economic development of the territories, disregarding the present classification of regions into or outside of objective 1. Agricultural and rural policies should be closely connected to environmental policies.
5. **Quality criteria:** CARP instruments should ensure an appropriate and responsible level of quantitative production of food, and a continuous improvement of quality and hygiene. These quality criteria should fit to the varying structures of European farms and enterprises, instead of transferring general standards from large enterprises to family farms and businesses. Regulatory systems should not prevent the continued pursuit of traditional local craftsmanship, using a diversity of cultural plants and domestic animals. Patenting systems must not overrule the rights of local people and associations to grow, to reproduce and to trade these - mostly endangered - species and varieties.
6. **Fair relations with developing countries:** The provisions in the new CARP should be consistent with Europe's obligations to developing countries. The EU should stop subsidising the export of European food - often below domestic quality requirements – to developing countries. It should stop exporting pesticides and other toxic materials which do not meet the Union's own standards; and it should oblige European-based corporations to comply to European standards wherever they operate. It should recognise the need of farmers in developing countries to find markets for their products and to benefit from fair prices, and should work within the World Trade Organisation to persuade other developed nations to take the same view.
7. *“Real” prices which cover all production costs can only be installed together with supply management to avoid production surpluses and shortages and import barriers with the important exception of less developed countries needing access to our markets, to avoid import below our own production cost prices.*
8. **Biological and social research:** European research in biotechnology and genomics has to keep pace with that of other nations, but should apply new insights and knowledge according to high ethical standards and the principles of sustainable development. This is not meant as a purely defensive strategy: it should become a forerunner in the responsible management of global

intelligence. Effective research into rural development and the changing role of farmers is also needed.

9. **Co-decision:** The European Parliament should have the right to co-decision and obligatory approval for budgeting. The national or regional Parliaments should be involved in customising and making the CARP operational of the CARP within member states. All actors of an enlarged EU have the right to participate in the decision-making process for the future CARP.

10. **Economic justice and diversity:** For agriculture to continue to maintain the environment, local culture and rural communities it must be economically sustainable. Excessive consolidation in the supply and food purchasing sectors (linked to industrial “strategic alliances” and to intellectual property rights) is eroding the economic viability of holdings. EU trade and competition policy should develop a diverse network of both suppliers and purchasers for the agricultural sector, otherwise people will continue to be displaced from the land. Non-EU countries with a lower regulatory burden in relation to the environment and animal and social welfare present unfair competition. Without a level playing field the need for public subsidy to sustain rural communities is increased.

D) THE PROCESS OF ENLARGEMENT

1. **Urgency of enlargement and readiness to change:** EU enlargement is an important and urgent matter for both the EU and the new member states. The new states will significantly enrich EU biodiversity, and bring unique landscapes and cultural values. They will bring dynamic human capital with enormous entrepreneurship. This should contribute to strengthening economic potential and sustaining growth and job creation in the whole EU. Due to their recent history, within the last 10-12 years they have introduced radical institutional reforms that took many decades to implement in the west. These nations will bring a new culture of change that should facilitate the necessary reforms within the EU. Full EU membership for these countries will contribute to sustaining recently introduced reforms and to securing stability and prosperity in the whole region.

2. **A new European Union:** The impending accession of new member states is an important stage in the great political project of achieving a whole continent unified in peace. The Europe of the future will be one of more diversity and multi-culturality. It must take into account the varying aspirations and needs of peoples, communities and nations, as well as their equitable rights to access elementary resources, to pursue their individual level of fulfilment, to freely express their cultural values and to participate in democratic institutions and decision making. Increased mobility within Europe, and between Europe and the outside world, continues to transform

demographic structures and to challenge the institutional and political capacities of member states to integrate ethnic, cultural and religious minorities. There is a great responsibility in helping European people to learn to become familiar with the unfamiliar.

3. **Equality and partnership:** The relationship between the present member states of the Union and the new member states should be one of equality and partnership in a great enterprise. They should receive equal treatment with existing members, related to decision making and the delivery of policies and financial support systems from the moment of entry or on a formal phasing-in basis within a very few years of joining.
4. **New challenges:** The new member states bring not only human and natural capital that is needed to sustain development in the EU, but also some traditional problems of countries in transition from the central planning to market economies. These problems, such as poverty, insufficient infrastructure, difficult access to financial capital, unclear land property rights, deficiency of modern managerial skills, underdeveloped political culture and non-governmental sector, are particularly visible in rural areas. In order to resolve those problems, there is an urgent need to develop innovative and integrative approaches and adapt them to local circumstances. Bottom-up decision making processes should be specifically enhanced by corresponding innovative top-down policies. This is a big challenge for EU and new member states but also a chance to develop policy models that could be applicable beyond EU, particularly in developing countries.
5. **A unique opportunity to develop new systems:** The European Union should be aware of the unique opportunity, presented by enlargement, both to meet the hopes and ambitions of millions of Europeans and to try out new systems of support. These systems should integrate the concerns of the agricultural sector, rural development, environmental protection and landscape preservation. The new member states need transparent, lean and flexible support systems, instead of inheriting time consuming planning, programming and funding structures, which even the present member states wish to modify because of their inconsistencies and over complexity.
6. **Multi-functionality:** The new member states need a Common Agricultural and Rural Policy based on multi-functionality. They need well-designed training for farmers and rural people, improvement of infrastructure and development of efficient financial services including micro-finance for small farms and businesses. The *acquis communautaire* should not be seen as a hurdle, but rather as an indicative set of standards, which they may progressively achieve both before and after joining the Union. They should be given active support not only to achieve the *acquis communautaire*, but also to prepare for entry into substantive EU programmes. Specifically, they should be offered support for programmes parallel to the Rural Development Regulation, and to the LEADER-type initiatives.
7. **Action, transparency and effectiveness:** The Convention must address how to shift the emphasis onto action, speedy dispatch of business, transparency and effectiveness. The

preoccupation of the European Commission with financial accountability and rigorous audit is causing lamentable delay in pursuit of programmes, and hesitancy to take initiative and to permit initiative in others.

E) EUROPEAN INSTITUTIONS

1. **The EU should do less, better:** Excellent governance most easily spreads when starting at the top level. The Convention, when considering the future institutional form of the Union, should bear in mind that it exists for the benefit of the citizens of Europe and must be approachable and coherent for them. A deep re-structuring leading to better horizontal integration of the general directorates would be a step towards implementation of the principles formulated in the European Commission's White Paper on European Governance. It would lead to better quality and more effective delivery of policies, and to a more coherent image for the outside world.
2. **Policy co-ordination and coherence:** The EU should be at the forefront of effective integration of sectoral policies in its own administration. The CAP must be integrated horizontally with other European policies which affect the agricultural sector (regional, employment, environment, energy, transport, competition, consumer health and development). The emphasis in the EU should shift towards an insistence on transparency in the declaration by producers of the nature of their products, so that consumers can judge for themselves what to buy.
3. **Improving the management of the CAP:** The Common Market Organisations have developed into a complex system of market control mechanisms and regulations. There is a strong case for review of the sectoral market organisation approach and of the role of the EU in the field of regulations related to, for example, hygiene and other standards in farming and food processing. Existing agricultural legislation should be screened to remove redundant and obsolete rules. The FEDER model of annual accountancy management for rural development programmes should be replaced by another pluri-annual management system.
4. **Transparency and accountability:** An enlarged European Union of 27 or more countries needs clear and transparent decision-making structures and management processes. Decisions made on the CAP must take into account all different stakeholders. The Convention should give a clear vision upon which kind of tasks should be fulfilled at the European level, and what (from the perspective of the citizen or an enterprise) can be better achieved at national, regional or local levels, although a re-nationalisation of the CAP is undesirable for reasons of internal market, landscape and trade negotiations. In the pursuit of decentralised governance, more European institutions and agencies should be located in different areas of the Union. New member states should host EU institutions as soon as possible after formal accession.

5. **Need for shared rules:** In the long run, the delivery of policy frameworks for territorial programming at EU level will only lead to successful results in the regions if the whole array of territorial (European, national, regional, local) levels are interlinked and co-ordinated by similar, simple, transparent rules. The make-up of these frameworks should embody the spirit of the European integration project, thus representing much more than administrative procedures. The nature of the development process is complex and rural development institutions need to be provided with sufficient flexibility to assist it.
6. **Networks and partnerships:** The European Union should seek to encourage the emergence and viability of a multitude of networks of solidarity, of cultural exchange and competence sharing. More competencies should be entrusted to local and regional public-private partnerships for negotiating and solving problems within and between territories. These partnerships should be given resources to participate actively in trans-regional and transnational networks, inspired by the common purpose of learning from and with each other. Non-governmental organisations should play an essential role in these partnerships and networks.
7. **The principles of co-operation:** Territorial co-operation within a wider Europe and with other parts of the world should be based on the principles of solidarity, partnership and fair competition. This co-operation should take place in the most direct, decentralised manner, gently encouraged and supported by European institutions.
8. **International obligations:** Europe should strive to reach broadly shared approaches and standpoints with respect to international negotiations and world-wide agreements concerning global issues such as environment, wealth distribution, gender equity and opportunities, new development models and the role of global, multilateral institutions. The EU should, in the course of the WTO negotiations, advocate an integrated approach to rural development as a worldwide necessity, and advocate equitable social rights for the citizens in developing countries.
9. **Continuation of innovative dialogue:** The broad participation and lively discussions before and during the AgriCultural Convention should inspire European authorities to support, via Internet and periodic meetings, a continuous forum of dialogue upon strategic questions of the Common Agricultural and Rural Policy. A balance has to be found between the consideration of particular interests and the participation of representatives of the broader community of farmers, rural people and European citizens and consumers. European institutions should facilitate the flow of relevant information in all directions, from bottom-up, from top-down and laterally, thus creating a new culture of dialogue.
10. **Co-decision:** The European Parliament should be given co-decision power in questions related to both formulating and budgeting the Common Agricultural and Rural Policy in an enlarged Europe.