

28 September 2020, Poznan

Joint Declaration of the Ministers of Agriculture of the Visegrad Group (Czech Republic, Hungary, Poland and Slovakia) and Bulgaria, Croatia, Estonia, Latvia, Lithuania, Romania and Slovenia
on the important elements of the Common Agricultural Policy reform
in relation to the agreement on the 2021–2027 Multiannual Financial Framework

The Ministers of Agriculture of the Visegrad Group (*Czech Republic, Hungary, Poland and Slovakia, Bulgaria, Croatia, Estonia, Latvia, Lithuania, Romania and Slovenia*):

WELCOME the agreement on the 2021–2027 Multiannual Financial Framework (MFF) reached on 21 July 2020 by the heads of states and governments of the EU Member States. This agreement decides on the level of financing for the Common Agricultural Policy (CAP) and opens the way for finalising negotiations on its reform;

APPRECIATE that the consensus on the MFF increased the amount of funds allocated to the CAP in comparison to the initial proposal of the European Commission of 2018. Nevertheless, it does not guarantee sufficient level of financing for this important EU policy, having in mind in particular the importance of the CAP contribution in achieving ambitious EU objectives, including ongoing negotiations on the CAP reform;

CONSIDER that there is a need to maintain and further strengthen the full scope of the existing instruments, which contribute to the social and economic stability of some sectors;

BELIEVE that the transformation towards a sustainable agricultural economy is necessary to achieve the objectives of the Green Deal, including the objectives of the Farm to Fork and Biodiversity strategies. ARE CONVINCED that the level of ambitions specified in both strategies and the level of their inclusion in future strategic plans should be realistic and achievable, aligned to the decisions on CAP financing, especially to uneven distribution on direct payments. REGRET that the targets set by the Commission were not properly discussed on the EU level prior to their introduction and that there is no impact assessment of their implementation on the agricultural sector in the EU. HIGHLIGHT that these initiatives cannot have a negative impact on the competitiveness of EU agriculture in comparison to the

agricultural production of the third countries. CALL for the country specific recommendation on the Farm to Fork objectives to be voluntary for the Member States and to take into account the situation in the Member State concerned and the progress already made in the past. DOUBT, in this context, whether arrangements on CAP financing guarantee sufficient incentives for the contribution of agriculture towards the achievement of the Green Deal objectives and strategies related thereto;

HIGHLIGHT that interventions that satisfy climate and environmental objectives partially should be taken into account in assessing the CAP contribution to these objectives. INDICATE that the achievement of ring-fencing and objectives arising from the strategies related to the Green Deal often requires significant investment, which will have at the same time positive both pro-environmental and production effects; BELIEVE that support for this type of investment should be deemed contributory towards the achievement of environmental and climate objectives. NOTE that areas with natural or other area-specific constraints are also important for achievement of climate and environmental objectives and CONSIDER that these payments should be appropriately counted as contributing to the minimum spending threshold;

ARE AWARE of the importance of the green architecture in the philosophy of the CAP reform proposed by the Commission, but BELIEVE that solutions adopted should be realistic, implementable and comprehensible for farmers, and that they should not create an excessive administrative burden and risk of losing funds. HIGHLIGHT that it is also essential to find the right balance between increasing the level of climate and environmental ambition and competitiveness of the European farmers whilst ensuring food security and providing public goods to the European society;

NOTE that the proposed CAP reform will shift the emphasis from compliance and rules towards result and performance and therefore, EMPHASIZE the need for a greater flexibility to take into account national and regional specificities when selecting the environmental measures;

NOTE that the eco-schemes proposed by the Commission as part of the first pillar of the CAP are a new solution, difficult to programme and bearing uncertainty concerning the scale of interest on the part of farmers. In this context, OPPOSE the introduction of solutions that would decrease the flexibility of this instrument. CALL for a flexible approach to its implementation and for measures that will prevent the loss of funds in case of lower than estimated interest in this form of support among farmers;

BELIEVE that it is necessary to avoid additional and disproportionate administrative burden of conditionality controls for small farms. ARE CONVINCED that the current approach proven that it do not jeopardise the achievement of higher environmental ambitions related to enhanced conditionality;

DRAW THEREFORE ATTENTION to the importance of the final rules of the New Delivery Model (NDM), which should contain incentives for implementing ambitious new measures, while ensuring enough flexibility to choose the appropriate tools and to avoid unspent funds. In addition, CALL for

objective and clear-cut processes in relation to the adoption of the CAP Strategic Plans or the regular assessment of performance;

BELIEVE that in view of the negative tendency of the declining significance of market interventions in the stabilisation of agricultural markets, it is of paramount importance to support better organisation of farmers through introducing sectoral support instruments, also in the so-called other sectors. NOTE, however, that the currently low level of organisation of such sectors in some Member States poses a risk that direct payments resources allocated to this type of support may not be used efficiently. CALL for flexible solutions that will ensure the possibility of reimbursing such unused funds to farmers in a form of direct payments;

NOTE the common understanding reached by the Council and the European Parliament concerning length of the transitional period to prepare for the new CAP reform. URGE the Commission to be open and support the co-legislators in preparing that smooth transition;

EMPHASISE that provisions related to the eligibility of long-term commitments from previous programming periods to be financed from the CAP strategic plans should not be adjusted to the NDM rules;

WELCOME the decision to include financial resources from the Next Generation EU (NGEU) in the second pillar of the CAP, as such resources should be an important element of financial support for enhancing actions aimed at post-COVID-19 recovery and supporting green and digital transformation of agriculture and rural areas. BELIEVE that such resources should be mobilised as soon as possible without excessive administrative burden, and therefore ENDORSE the Presidency approach to provide for the possibility of using the NGEU resources in the transition period as part of the instruments under current rural development programmes;

UNDERLINE that in order to provide legal certainty, predictability and prevent any interruptions in the functioning of the CAP, the transitional regulation must be agreed as soon as possible. CALL on the Council, European Parliament and the Commission to swiftly agree on the future way of integrating the recovery funds into the EAFRD.

Additionally Ministers of Agriculture of the Visegrad Group (Czech Republic, Hungary, Poland and Slovakia) and Bulgaria, Estonia, Latvia, Lithuania and Romania:

NOTE that the decision concerning the external convergence of direct payments means that at the end of the next financial perspective significant differences in the levels of direct payments amongst Member States will still remain. ASSESS that these differences and other objective circumstances should be taken into consideration when identifying the contribution of farmers towards meeting new environmental and climate requirements.