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Synthesis and assessment
of the public debate on the reform of
the CAP after 2013
The case of France

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1. Introduction

1.1. Methodology of the study

On November 18th 2010, the European Commission presented, in the form of a Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, proposals for a reform of the CAP for the period 2014-2020. Moreover, on October 12th 2011, the European commission presented its first legal proposals for the future CAP. This report aims to describe and assess the discussion between important French players about these two set of proposals. It also includes some proposals for the CAP after 2013, written during the debate initiated by Dacian Ciolos or even before.

The main interviewed players include:

- administration and political bodies (Ministries, Senate, Parliament, regional governments...),
- farmers and food industry bodies (farmers' unions, food industries...),
- civil society (development and environment NGOs),
- researchers and think tanks.

The choice of these players has been influenced by the French institutional context, as consumers organizations do not represent a strong lobbying on agricultural policy. Moreover, environmental and development cooperation players have a stronger influence than before but remain certainly weaker than in other countries as United Kingdom or Germany : in France, the farmers bodies and especially the FNSEA (majority farmers' union) remain the strongest players on agricultural policies.

Administration and political bodies	Farmers and food industry bodies	Civil society	Researchers and think tanks
Ministry of agriculture	FNSEA	Groupe PAC 2013	Académie d'agriculture
Ministry of environment	CNJA	FNE	Two researchers (report published by Notre Europe)
National parliament	Confédération paysanne		Momagri
National senate	Coordination rurale		
ARF	APCA		
4 regions from south-east	FNAB		
Rhône-Alpes	ANIA		
Auvergne	Coop de France		
CESE	UIPP		
PS			

List of French main players studied in this report

Following a brief presentation of the French agricultural context and policy, the second part of the report will present position of each studied players on the challenges and orientations proposed by the European commission, according to their communication in the public debate. The last part will propose a more transversal analyse, emphasizing the convergences and divergences of the French players' positions on the different set of proposals: direct payments, markets measures and rural development.

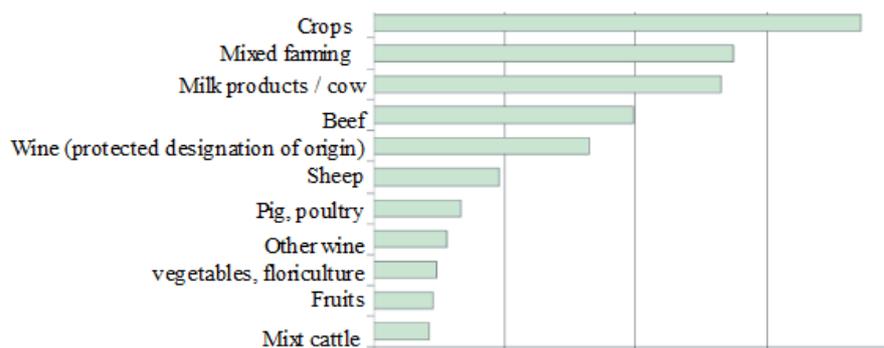
1.2. French context of the agriculture and the agricultural policy

A strong and restructured agricultural sector

Agriculture keeps a relatively strong economic place in France. France is the first producer of agricultural products in the European Union (around 19% of the value). The farming represents 2,9% of the employment in France : this is less than the EU average (5,1%) but much more than the Germany (1,7%) or the UK (1,1%). The economic weight of the agricultural sector remains quite high (1,2% of the GDP) compared to the EU average (1,1%) and especially to countries like Germany or UK (0,5%). Moreover, this rate is much higher with the food industry (3,1% of the GDP). Contrary to the French energy or industry, the French agricultural balance of trade is strongly positive (8,3 billions of Euros¹), thanks to alcohol and wine, then crops and milk products : it is the second exporting country in the EU (after Netherlands). France exports mainly to Germany, Belgium, Italy, UK and Spain and imports mainly from Netherlands, Spain, Belgium and Germany².

French agriculture is also strongly restructured. There are 490.000 farms in France now, while there were twice more farms 20 years ago. The strongest decreasing has been in the milk sector. In the same time, the economic and physical size of farms is strongly increasing, much more than the other member states³ (around 30% between 2000 and 2007)⁴. The physical size is around 52 ha/farm, much more than the EU average (12 ha) and at the same level than countries like Germany (47 ha) or UK (54ha)⁵.

There is a balance between crops, mixed farming and cattle (milk products and beef). However, the milk products and pigs are produced especially in the West, the crops in the North, the beef in the centre (Massif Central). The South is more specialised in wine, fruits, vegetables and sheep. As a consequence, the agriculture in the North, with highly supported productions, receives more subsidies than the agriculture in the South. This agriculture is also more restructured and productive (quantities produced per ha in crops, for example) than in the South, with less disadvantaged and mountain regions and more big farms.



Number of French farms per production (source : Rica, 2007)

The farm income varies strongly according to productions: it is higher for crops than for livestock farming. These inequalities increased during the last years, because of low prices in livestock

¹See statistics of the European Commission for 2009, http://ec.europa.eu/agriculture/agrista/2010/table_fr/2010frfinal.pdf

²See official French statistics for the year 2010, http://agreste.agriculture.gouv.fr/IMG/pdf_Gaf11p105-110.pdf

³Except Finland and Netherlands

⁴See official French statistics for the year 2010, http://agreste.agriculture.gouv.fr/IMG/pdf_Gaf11p046.pdf and http://agreste.agriculture.gouv.fr/IMG/pdf_Gaf11p015-021.pdf

⁵See statistics of the European Commission for 2007, http://ec.europa.eu/agriculture/agrista/2010/table_fr/2010frfinal.pdf

farming and higher prices of cattle feed. Farm income also varies between French regions, according to productions and agronomic conditions. It is clearly higher in the North part of France. The farm income is lower in mountains (Alps, Pyrénées, Massif Central, Vosges) because of worst agronomic conditions and higher production costs (except for some products under protected designation of origin).

Finally, a significant part of the French agricultural production is under Protected designation of origin (PDO), especially in wine (80% of the production value, with 364 PDO) and in cheese (49 PDO).

The French implementation of the CAP

Compared to other Member states, the French positions are globally for maintaining a strong CAP, with an important budget and tools for regulating markets. Right and left wing share this point of view. It can be explained by the social and the economic place of the agriculture in France (see above). Moreover, the part of the total agricultural subsidies in the farm income is higher than the EU average. The amount of subsidies per beneficiary or per ha is slightly higher than the EU average⁶. Finally, the 1st pillar is particularly important for the French farmers, as the part of the 2nd pillar in the CAP funds received by the EU (around 10%) is lower than the EU average (around 20%). It partly explains why the majority farmers' union defend much more the 1st pillar than the 2nd pillar.

In 2003, French government was opposed to the decoupling. It decided to calculate direct payments according to historical references (during the years 2000-2002) in order to avoid too strong redistribution and disturbances. It also decided to recouple a part or the entire amount of direct payments for several productions (arable crops, beef...).

However, France used the possibilities offered by the reform of the CAP in 2008 to redistribute a significant part of the direct payments: in a context of high prices for arable crops and low prices and revenues for livestock farming, it was decided to cut around 10% of direct payments and to redistribute it towards grasslands (700 million Euros), sheep meat and goat meat (135 million Euros), risk management measures (100 millions of Euros par an), organic farming (57 millions)⁷...

Finally, as the milk sector is important in France, the milk sector crisis in 2008 and 2009 lead to strong difficulties and has many economic and political consequences. There is a new debate on the distribution of the profits between the producers, the food industry (the cooperatives not representing the biggest economic part) and the supermarkets. In fact France implemented a strong regulated system of milk quotas, which avoided a too strong geographical concentration in the most productive West regions. It also implemented a specific system for fixing milk prices between the different players of the food channel. The new situation (abolition of quotas and price fixation) could lead to strong consequences⁸.

⁶http://ec.europa.eu/agriculture/cap-post-2013/communication/slide-show_fr.pdf

⁷<http://agriculture.gouv.fr/IMG/pdf/Bilandesantefrance.pdf>

⁸ Kroll J.C., Trouvé A., Deruaz M., 2010, « Quelle perspective de régulation après la sortie des quotas ? Faut-il encore une politique laitière européenne ? », research report, <http://www2.dijon.inra.fr/esr/pagesperso/trouve/synthese%20rapport.pdf>

2. Summary of each player's position

This second part proposes to focus on the positions of each important player in French agriculture. Their points of view are usually identified thanks to the press releases and reports they published about the future of the CAP (public debate organized by the European commission during few months until July 2010), and/or in reaction to the European Commission's communications on the CAP 2014-2020 (November 18th 2010) and to its first legal proposals (October 12th 2011).

We propose to distinguish four important kinds of stakeholders in order to describe the complete spectrum of French players' opinions on the future CAP.

2.1. Administration and political bodies

This group is composed by different kind of players which have different powers on the French politic and economic context:

- The Ministry of agriculture (MAAPRAT), the Ministry of environment (MEDDTL), the national parliament and the national senate. These institutions, especially the two ministries, developed different points of view at the national level ;
- The organisation representing the regional governments (ARF), a group of 4 regions from south-east of France and the regions of Rhône-Alpes and Auvergne. Almost all regional governments are left wing, whereas the national government is right wing. So it is interesting to observe their advice compared to the one of the ministry of agriculture, especially as there are national elections in 2012 in France. Moreover, the economic and social weight of Rhône-Alpes and Auvergne is particularly high and their political influence is quite important (the president of the Auvergne government being also the president of the ARF and the reporter of the report of the European Committee of the Regions on CAP after 2013) ;
- The National Economic, Social and Environmental Committee (CESE), which has a consultative power and include more than 200 persons from different parts of the society (enterprises, trade unions, NGO's,...) ;
- The Socialist party (PS), the main left wing party in France. As the regional governments, its reaction on the proposals of the European commission is interesting, the government being now right wing.

2.1.1. The French ministry of agriculture

Two press releases are available, after the communication then the proposals of the EC (November 2010 and October 2011). The last press release insists on the position taken in the “appeal of Paris”, signed by 22 other Member states (except UK, Netherlands, Sweden, Denmark and Malta) and in favour to a strong CAP⁹. The French ministry of agriculture reminds that it will represent the position of France during the negotiations of the European council, so that we can consider that this is the official position of France.

General position

In November 2010, the ministry of agriculture underlined several **challenges** which were also underlined by the EC and its legal proposals : food security, price volatility, competitiveness of farms, environment protection, climate change, diversity of territories. It especially underlined one challenge: decent farm incomes. This is why the ministry of agriculture supports a **significant budget** of the CAP, being as high as the budget proposed by the European commission for the budget 2014-2020 (this level represents a “status quo” compared to 2007-2013). This position corresponds clearly to the “appeal of Paris” : the agriculture is very important for the European economic and political development. The ministry of agriculture is in favour of EU expenditures redistribution between Member states, but this “must be sustainable and fair and take into account the situation of each European agriculture”. Finally, neither the reaction on the EC communication nor on the EC legal proposals contain any remark on the 2nd pillar, showing that it is not the main point for the French ministry of agriculture.

Direct payments

The ministry of agriculture supports the **greening** of CAP subsidies. However, this greening must be “simple and providing incentives” and take into account the budgetary context and the economic situation of the farms. This is why the ministry does not agree on the proposals of the EC (but without explaining on which points). It also accepts the national uniformity of direct payments, but wants flexible modalities and calendar. Finally, the ministry wants to maintain some coupled subsidies for some endangered productions and regions.

Market measures

The ministry of agriculture warned in November 2010 that it was opposed to any reduction of market regulation and direct subsidies. However, it considers that the legal proposals of the Commission stop the dismantling of market deregulation, especially with the possibility of urgency measures and new **risk managing tools** for farmers. It also underlines that this reform must reinforce the power of farmers for negotiating and must preserve some **supply management mechanisms**, which proved to be efficient.

⁹<http://agriculture.gouv.fr/Communique>, <http://agriculture.gouv.fr/la-france-pour-une-politique,12825>, <http://agriculture.gouv.fr/appel-de-paris-pour-une-politique>

2.1.2. The French ministry of environment

Just before the EC's communication, the French ministry of environment presented its own view about the CAP after 2013, in a rather long and precise document¹⁰. This point of view is different to the one of the ministry of agriculture. It was very criticized by the main farms bodies (FNSEA, Coop de France...) but was supported by environmental NGO's. It was so criticized that it was quickly removed from the website of the ministry of environment.

General position

The ministry of environment wants to maintain the **same budget** (10 billions for France). However, maintaining a **strong CAP** is tenable only if it contributes to a European agriculture with economic, social and environmental sustainability. The CAP should achieve a **decent income** for all production systems, a payment for environmental services produced by agriculture and an ecological and productive agriculture, thanks to bottom-up projects, linked to territorial challenges and supply chains.. Finally, the CAP should be oriented towards the **European consumption** and not according to few exported productions.

Direct payments and rural development

The ministry of environment is opposed to the division into two pillars and proposes a **unique payments scheme**. The payments should be uniformed between member states. They should be divided in three parts :

- a basic income payment, paid per agricultural worker and not per hectare or at least **capped** according to the number of workers in the farm. The cross-compliance should be progressively reinforced. From the 10 billions received by France, basic income payments should receive 3 billions, co-financed by the Member state. The amount may be adjusted according to climate and markets conditions.
- payments for global and local environmental services offered by agriculture (payments for organic farming, for farming with high environmental value, for grasslands, for areas with natural constraints and with strong environmental challenges...). This part of payments should receive 4 billions, entirely financed by EU.
- support of agro-ecological transition : it should support farm contracts for modifying a strong part of practices. These contracts should be part of territory or supply chains projects. These payments should receive 2 billions, financed by different bodies (EU and national, regional, private ones). This would also support the food consumption: education and information of consumers, food stamps, support to short supply chains...

In this way, although the budget of the CAP remains the same, a significant part of the payments are newly oriented towards environmental challenges.

Market measures

0,5 billions should finance **safety net** and regulation market mechanisms.

¹⁰ MEEDDM, 2010, "Pour une politique agricole durable en 2013 Principes, architecture et éléments financiers", Paris, http://www.pouruneautrepac.eu/Pac_2013.pdf

2.1.3. The national parliament

The Commission of European affairs of the French parliament presented a short report in June 2011 on CAP after 2013¹¹.

General position

The French parliament agrees on the objectives underlined by the EC but insists especially on the development of the agricultural production capacities in the EU. These capacities should be turned towards food needs of the EU and of the world. The French parliament wants a **strong CAP**, with exactly the **same European budget** than before and the same balance between 1st and 2nd pillars. The CAP should not be increasingly **co-financed**, as it is a way of nationalising the CAP. However, Member states should be able to support special needs, if it does not create competitive distortions. The agricultural policy should continue to support especially the French outermost regions. A special high level working group should focus on bovine production. Finally, supports to food programmes should not be cut.

Direct payments

Direct payments should be **fairly distributed** between Member states, according to economic situation and financial participations in the EU budget. Direct payments should strongly support the farm income but should be constrained **by greening**. They should also be uniformed between regions thanks to the abandonment of the historic references and a progressive **ceiling** of payments taking into account the employment. More largely, the distribution of direct payments should take into account the employment. Direct payments could still be coupled in livestock farming and for maintaining specific productions and protein plants. As the EC proposes, they should only be paid to active farmers and a special support for little farms should be created. Finally, the national parliament well received the introduction of supports of areas with natural constraints into the 1st pillar.

Market measures

The national parliament wants to stop the deregulation of markets and to reinforce public regulation face to the volatility of world prices. **Safety nets** are not sufficient. Flexible, efficient and responsive mechanisms should be implemented: guaranteed prices at a sufficient level, **supply management** in some productions, public and private storage for long periods. They could not be replaced by **private mechanisms** (as insurances, mutual funds, contracts, recognition of Producer Organisations and inter-branch organisations). Moreover, possibility of counter-cyclical subsidies (as in United States) should be examined. The wine should be included into the reform of the CAP, with the maintaining of the planting rights.

The European trade policy should be coherent with a strong CAP: in the WTO's negotiations, the agricultural proposals in July 2008 should be considered as a limit which should not be exceeded. Public regulation of markets and environmental, sanitary, social and animal health rules on imports should be made possible. The bilateral trade agreements should be based on impact studies. The trade agreement with Mercosur should not endanger the European productions, especially the animal ones. Finally, the financial markets of commodities should also be better regulated.

Rural development

A special policy putting together different subsidies should be focused on the mountains. Research and innovation, short supply chains and quality products should also be supported.

¹¹<http://www.assemblee-nationale.fr/13/ta-commission/r3701-a0.asp>

2.1.4. The national senate

In France, the senate shares the legislative power with the national parliament. It took a position on the CAP after 2013 two days before the EC's communication of November 2010, in a report written by four senators (right and left wing)¹².

General position

It defends a clarification and a simplification of objectives and of mechanisms of the CAP. A 1st pillar should be dedicated to the agriculture and the food, the second one to the territories and the environment. The 1st pillar should be composed by regulation markets mechanisms and direct payments, including the supports to the competitiveness of agriculture of the present 2nd pillar. The 2nd pillar should be based on measures of axis 2 and 3 of the present 2nd pillar.

Direct payments

Article 68 (which allows to transfer direct payments towards environmental and quality productions) should be maintained but the destination (1st or 2nd pillar) should be clarified. Reorientation of direct payments should be made possible for supporting producers' organisations.

Market measures

Regulation of markets and intervention should be maintained and be stronger than **safety nets**. However, it has to be more reactive. Thus, polish government proposes two months maximally and not six months as today.

Rural development

Modulation as it works now should be stopped in order to simplify and to give more visibility on the budgets. Rates of **co-financing** should be modulated according to measures and European priorities. 2nd pillar should be organised by challenges and not by axes, in a territorial view:

- Supporting agricultural production, with several kinds of agriculture: one oriented towards European and international markets and one oriented towards smaller markets, one competing with low production costs and one competing thanks to differentiation of products.
- Supporting the links with the supply chain and post-production stages.
- Supporting positive effects of the agriculture on the environment.

¹²Report 102 presented on behalf of the commission of European affairs and commission of economy, sustainable development and territory management, « Redonner du sens à la PAC », <http://www.senat.fr/notice-rapport/2010/r10-102-notice.html>

2.1.5. The regional governments organisation (ARF)

General position

Regional governments took a rather precise position on the EC's legal proposals at the end of November 2011¹³. They agree on main directions of the EC's legal proposals. However, they regret the **lack of ambition** concerning markets regulation and supports to areas with natural constraints, which are absolutely necessary face to the volatility of prices and the crisis.

Direct payments

Regional governments approve the additional support to young farmers. However, they claim for an enlargement of beneficiaries to all new entrants. They also approve the additional support to areas with natural constraints and to little farms. These options have to be chosen by the French government. They approve the possibility of **re-coupling** payments and claim for the maximum re-coupling in France. For more equity, they are for reserving direct payments to active farmers and for **capping** them, but with a ceiling lower than 300.000 Euros. The amount should be calculated according to employment. They defend the redistribution of payments between regions and Member states: regional governments demand for many years the abandonment of **historical references**. **Greening** should include other practices like environmental certifications, which were decided during the “Grenelle de l'environnement”¹⁴. Finally, regional governments claim for a managing of direct payments at the regional level, as it is proposed by the EC and like Germany did since 2003. The national amount should be divided into regions according to total cultivated areas, to farm employment, to farm numbers and to areas with natural constraints.

Market measures

Regional governments claim for maintaining or even reinforcing the markets regulation, especially for livestock farming, fruits and vegetables which are endangered: intervention, private storage, import quotas. Prices of the most fragile productions should be calculated according to production costs and not according to world prices. Regional governments are strongly opposed to the abandonment of **quotas** and **planting rights**. EU should try to impose social, environmental and sanitary rules on the imports in the WTO's negotiations.

Rural development

Regional governments approve the inclusion of the **EAFRD** into a Common Strategic Framework also applicable for other funds and the implementation of common eligibility rules, which will lead to better coherence and simplification. They also approve the six **priorities** proposed by the EC, the simplification of the whole architecture, the possibility of sub programmes (as installation, little farms, short supply chains...), a better inclusion of forestry, the agro-environment measures, the European partnership for innovation, the new disposals for LEADER... They claim for regional programmes and management of the 2nd pillar, for more efficiency and adaptation to the local specificities: national government should choose this option proposed by the EC. However, they disapprove the criteria of the areas with natural constraints: it should take into account the recent French proposals for new criteria, like water stress. They also defend the inclusion of **risk management** tools into the 1st pillar (and not the 2nd pillar), as it concerns market measures.

¹³ ARF, 2011, « Avis de l'ARF sur les propositions de la Commission européenne pour la Politique agricole commune pour la période 2014-2020 ». See also a summary on this page : <http://www.auvergne.info/economie-finance/pac-2014-2020-les-regions-de-france-ouvrent-le-debat.html>

¹⁴ This was a set of French legal decisions between 2008 and 2010, aiming to reinforce environmental policies in various fields (agriculture, energy...).

2.1.6. Four French regions from south-east

The regions of Corse, Languedoc-Roussillon, Provence-Alpes-Côte d'Azur and Rhône-Alpes wrote a common press release in order to complete the position of the ARF and to express the specificity of their contexts.

General position

The Mediterranean regions receive very few payments/farm from the CAP in comparison with other French regions. Moreover, as Mediterranean regions, they have specific issues, as for instance: water lack, natural risks linked to the climate change, frail soils, mountainous area, and the land pressure especially around cities. These four regions would like that the new CAP takes into account their Mediterranean specific issues, and they request also a better integration of the regional institutions in the governance of that policy.

These regions agree with the continuation of the structure of the CAP in two pillars but they discuss about how some propositions made by the EC in each one of these pillars could be adapted to their specific context.

Direct Payments

The four regions wish that the **base line** of the first pillar's direct payments will be the same for all the French areas. The definition of its amount should be fairer than the historic references' system, and be calculated on objective criteria such as employment. Nevertheless, according to these regions, the eligible areas should be redefined by the EC, including the plants' production of the southern France (fruits, vegetables, viticulture) and the permanent grazing area which should include the low productive spaces, such as moor area.

These regions are in favour of an additional direct payment to farmers suffering from natural constraints, and they hope that measure will differentiate several kinds of **LFA**, as for example special zoning for the dry mountain areas. They are also in favour of the modulation of the direct payments to the new farmers but ask to take also into account new farmers even if they are more than 40 years old.

Finally, the regions emphasize the problem to define "small farmers" in relation with the specific support proposed by the EC's. According to the regions, this definition has to take into account the territories specificities such as the production of the farms or their average size at national, regional or sub-regional scale.

Market measures

The four regions are satisfied by the possibilities to couple some payments with the Mediterranean specific productions. However, these regions regret that the EC did not propose a program to develop protein plant, with the possibility to re-localize this production, supported with some coupled payments.

Rural development

Concerning the second pillar of the CAP, the regions emphasize on their future needs to build new water stock because of the global warming, and the necessity to coordinate the policies' objectives in order to valorise the quality and the diversity of European food.

2.1.7. The region “Rhône-Alpes”

This left wing region reacted on the communication of the EC in January 2011, in a rather long and precise document¹⁵. In this region, the farms are rather small, with more workers per hectare and many areas of mountains. This region is rather rich, with dynamic urban centres. Its agriculture plays a rather strong tourist and environmental role.

General position

It wants to maintain the **budget** of the CAP and the two pillars. The first challenge is a decent farm income in every territory. However, it criticized the first option of the EC communication (the “status quo”) as the changes are not sufficient. The third option is considered as a “green liberal” option, which is dangerous as the 1st pillar is vital for maintaining farms.

Direct payments

Direct payments should be mainly calculated according to employment and difference between farm income and average regional income. These payments should only support food production. They should promote protein plants production. Payments for some productions and some regions should stay coupled face to the geographic concentration of agricultural activities (in Rhône-Alpes this would be the case for milk and for fruits).

Market measures

Public regulation of markets proposed by the EC, especially **supply management** and storage for food security, are not sufficient: private mechanisms cannot answer to the price volatility. Access to European markets should be limited when imported products do not respect health and environmental norms that EU demands for European products. Weather and health **insurances** should be included in the 1st pillar for allowing a fair distribution between Member states. Some of these insurances present strong limits, like too high prices demanded to the farmers in fruits production. Finally, mechanisms should allow agricultural production to receive a fair part of the added value produced in the supply chain, thanks to regulations of prices paid to the producers and by the consumers.

Rural development

2nd pillar should especially lead to maintain diversity of regional agricultures and farms and to maintain links between urban and rural.

When they concern global **public goods**, payments for areas with natural constraints and for grasslands should be entirely integrated into the 1st pillar. Payments for environmental public goods should be paid per hectare. They should be focused on encouraging positive effects and not on negative effects, because in this case it supports more polluting farmers. They should be paid according to some concrete objectives (and not only according efforts). A criterion for calculating payments could be the soil organic matter rate.

Rural development programs should be managed by the regions, the national state only guaranteeing national coherence.

As the national land consolidation policies failed, EU should act in this field. Second pillar of the CAP should also deal with food support, which could be managed through regional programs of rural development. Finally, these programs could support decentralized actions of cooperation between agricultural and food firms and emerging countries.

¹⁵Conseil régional de Rhône-Alpes, 2011, « Contribution de la Région Rhône-Alpes aux réflexions sur la réforme de la Politique Agricole Commune », Charbonnières, France.

2.1.8. The region “Auvergne”

This left wing region informs about the reaction of the president of the regional government, René Souchon, on the legal proposals of the EC¹⁶. In this region, livestock farming is very socially and economically important, with many areas of mountains.

Direct payments

The president of the regional government is satisfied with the new basic payment scheme per hectare (without historical references), with the additional payment for environmental practices, with the equalization and the **capping** of direct payments, with the payment limited to active farmers and with the special support of young farmers. It considers this new scheme as fairer and more legitimate. However, he regrets too low additional payments for areas with natural constraints (up to 5% of the national envelope of direct payments).

Market measures

He also regrets too little public regulation of markets: this will lead to geographic concentration in the most productive regions, at the expense of mountain and disadvantaged areas. This would also threaten the food autonomy of Europe.

¹⁶<http://www.auvergne.org/presse/pac-de-la-apres-2013-un-projet-qui-va-dans-le-bon-sens.html>

2.1.9. The Economic, Social and Environmental Council (CESE)

It published a reaction on the communication of the EC in May 2011, in a rather long and precise document¹⁷.

General position

The CESE regrets that the proposals of the EC cannot achieve some **key goals** mentioned in the European treaties: stabilisation of markets, food supply security and fair farm income. Among others, it underlines one challenge of the CAP: the farm employment should be maintained or even increased. Agriculture should be oriented towards agro-ecology (as defined by Olivier De Schutter). A huge program for developing protein plants should be implemented: support of the farm production, of research, of supply chains and taxes on imports. Finally, even if it is not included into the CAP, the CESE makes some other proposals, linked to the CAP: the control and the limitation of the biofuels, European harmonization of social and environmental rules, increasing of the EU budget.

Direct payments

Direct payments should include a basic decoupled payment, calculated according to the number of farm workers (with a limit of 6 farm workers by farm) and the average income of each country. They should be paid on a **sliding scale** or **capped**. They should depend on social conditions: the respect of European directives on health and security of workers. The **greening** of direct payments should be strong but progressive. It could be based on six measures (the farmer should choose one measure in 2014, then a second one in 2017):

- crop diversification, with longer rotations and introduction of protein and leguminous plants,
- decreasing of inputs,
- increasing of “ecological focus area” of at least 7% of farmland (as the EC proposes),
- grasslands,
- organic farming or with “high natural value”,
- complementarity between livestock farming and crops.

The possibilities of **coupling** direct payments for some productions and regions should be extended. Direct payments should be uniformed between regions, with the abandonment of historical references before 2020. Finally, the budget of direct payments should be more flexible: face to the volatility of prices, they could vary each year. Counter-cyclical payments (like in United States) are an option.

Market measures

The CESE defends food sovereignty and thinks that the rules of the WTO concerning agriculture should be changed. It proposes European and international buffer stocks for the purposes of stabilising prices. It demands transparency of markets and storage. The policies for promoting exported products should be reinforced. Finally, financial players should not have an access to futures contracts.

Rural development

The budget of the 2nd pillar should be maintained or even increased. It should support daily life in rural areas (and not huge infrastructure). Power of regions should be reinforced.

¹⁷<http://www.lecese.fr/travaux-publies/la-future-pac-apres-2013>

2.1.10. The French socialist party (PS)

The PS did not write a report on its position. This summary is just based on two press releases of the PS on the communication and on the legal proposal of the EC. One of this is a reaction from the French delegation of the European parliament¹⁸.

General position

Nothing is said on the budget, except that the PS agrees on redistribution between member states.

Direct payments

The PS agrees on a basic payment for all farmers, for **capping** direct payments and for taking into account employment and small farmers for calculating direct payments. It also agrees on the possibility to re-couple payments in the case of fragile and vital productions. However, it regrets a too weak greening of direct payments.

Market measures

The PS denounces a general orientation towards more deregulation of markets. It regrets too weak measures for regulating markets face to the volatility of prices: **insurances** funds and public intervention just in case of crisis are not sufficient. It reminds that the European parliament took position for **supply management**. On the contrary, EC confirms the removing of milk quotas and proposes to remove the sugar quotas.

Rural development

It denounces the possibility for cutting EAFRD funds going to a country, when its budgetary deficit is too high.

¹⁸<http://www.parti-socialiste.fr/communiqués/reforme-de-la-pac-des-avancees-bien-trop-insuffisantes> ;
<http://www.deputés-socialistes.eu/?p=6782>

2.2. Farmers and food industry bodies

Because of the principle of “co-gestion”¹⁹ (co-managing), the farmers and food industry bodies play an important role in the French government decisions about agricultural sector and thus agricultural policy. This group is composed by:

- The four main farmers unions
 - FNSEA is the majority union in France and CNJA is the young farmers’ group of FNSEA. These two farmers’ unions are linked to COPA-COGECA.
 - Confédération Paysanne represents smaller farms. It was born in 1987, but now it is the second largest farmers’ union in France. This union is linked to Via Campesina and it questions the productivist model of agriculture implemented for 40 years, which generated over-production, sanitary crisis, natural resources damages, territorial disparities and decrease of small farms’ population.
 - Coordination Rurale is a farmers’ union defending a strong CAP in order to preserve European’s food independence and asking the European support of farm incomes thanks to fair prices and not to direct payments. According to this union, the farmers are living an historic mistake to which they are participating against their wishes.
- The Permanent Assembly of the Agricultural Chambers (APCA) is also an important player of this group. The network of Agricultural Chambers had been created in the 1920s in order to represent the interests of agricultural sector, and to play the role of interlocutor between farmers and public authorities. Since the 1960s, some agricultural development responsibilities had been transferred from the State to the Agricultural Chambers. The network is composed by 94 Agricultural Chambers of “département” (district), 21 regional chambers, and one national organisation (Permanent Assembly of Agricultural Chambers, APCA) which are led by 4.200 professionals, elected to represent agricultural and forestry activities.
- The National Federation of Organic Farming (FNAB). It was born in 1978 to represent the organic farmers and is still the only organic farmers’ network in France.
- The national food industry organization (ANIA), the national food cooperatives organization (Coop de France) and the national phytosanitary products industry organization (UIPP). Even if they didn’t publish press releases after the EC’s Communications about the CAP’s reform, they participate to the debate organized on July 2010 about the future of the CAP after 2013. Nevertheless, it seems interesting to present the positions of these important players of the French agricultural sector. We will specially examine some points of view in relation with the EC’s proposals.

¹⁹ since the Agriculture Orientation’s Law of 1960/1962, the principle of « co-gestion » considers that agricultural policy has to be implemented in collaboration with the inter-professional organizations of agriculture.

2.2.1. FNSEA (Fédération Nationale des Syndicats d'Exploitants Agricoles) / CNJA (Centre National des Jeunes Agriculteurs)

FNSEA has published several documents²⁰ about the future CAP. It contributed to the public debate organized by the EC on July 2010 and then published a press release after the EC's communications about the first legal proposals of the future CAP (October 12th 2011). CNJA published also its own position about the CAP in a very short journal of the union²¹.

General position

Thinking that the CAP's reform was heading in the right direction, FNSEA well received the communication of November 2010 but then FNSEA disagrees with propositions of October 2011 and expects **guarantees** about the funding of the policy. This union hopes to increase authorities awareness of the problems linked to the implementation of green measures on one hand, but also of the problems linked to the distribution of European expenditures at national and European scale on the other hand.

On one hand CNJA is satisfied to get a complementary support from the first pillar in order to support young farmers, but on the other hand CNJA is disappointed by the new **greening** propositions, preferring the initial one which proposed to choose three measures among ten.

Direct payments

FNSEA is against the decoupling of the payments and their convergence at national and European levels. This convergence would need **transition time** and appropriate rhythm to farmers' adaptation. Moreover, this convergence should take into account the purchasing power parity of each member state.

FNSEA criticizes the environmental conditionality of the CAP. According to the union, these green conditions won't be in favour of the agricultural productivity and competitiveness, and are in contradiction with the global food challenge of the 21st century identified by the G20.

According to the CNJA, the three measures actually proposed by Brussels would be easy to implement in some territories whereas they will be much more difficult to implement in others.

Market measures

FNSEA criticizes especially the abandonment of market's regulating mechanisms in case of crisis. CNJA is also unconvinced about market regulation's tools of the CAP, even if the EC promotes producers' organizations and inter-organizations.

Rural development

This union didn't express its opinions about rural development aspect of the CAP in the press releases published following the EC's communications.

²⁰ http://www.fnsea.fr/media/73536/pac2013_fnsea.pdf
http://www.fnsea.fr/media/105061/111012sbi_com.pdf

²¹ PAC'Hommes les autres N°2 Mars 2011

2.2.2. Confédération Paysanne

Confédération Paysanne has also participated to the public debate of July 2010²², and has published several press releases after the EC's communications of November 2010²³ and October 2011²⁴.

General position

Confederation Paysanne (CP) shares some assessments made by the European Commission regarding the CAP in the communication of November 2010. For instance the **objectives** of balanced territorial development and sustainable management of natural resources and climate action are shared by the union: it considers this reform as the opportunity to engage European agriculture in a movement of transition to agro-environment, but also to improve diversity and productivity of territories, and to guarantee a decent income for farmers and a safe food for consumers.

Whereas CP admitted the objectives of the CAP's reform were ambitious in the communication of November, the union has been indignant about EC's legislative propositions of the CAP of October 2011, because they shattered the hopes of the first communication.

Even if the union is in favour of the convergence of European expenditures at the European level, CP criticizes the very long deadline of application (2029) of this convergence and regrets that it is not coupled with the harmonization of social, fiscal and environmental standards.

Direct payments

Payments' decreasing and **ceiling** are considered by CP to be insignificant because ceiling is so high that only 1.3% of CAP's payments would be redistributed. Moreover, the union considers the **greening** of the CAP to be a façade which won't change the French farms' practices in 95% of the cases.

Market measures

CP deplors the lack of market's regulation measures and the reform of sugar market organization as an example of supply's deregulation. However they support the removal of export subsidies and more generally those of any kind of dumping (defined as the export with a price below the cost of production).

Rural development

This union didn't express its opinion about rural development measures in its press release linked with the EC's communications.

²² http://www.confederationpaysanne.fr/enjeux-autre-politique-agricole-europeenne_478.php

²³ http://www.confederationpaysanne.fr/communica_commissio_europeenn_pac_objectifs_l_21.php&actualite_id=1738

²⁴ http://www.confederationpaysanne.fr/politique-agricole-commune-avenir-s-assombrit_21-actu_1887.php et http://www.confederationpaysanne.fr/campagnes_solidaires_5.php&numero=267

2.2.3. Coordination Rurale

Coordination Rurale (CR) has published several press releases²⁵ about its proposals about the future CAP and in reaction of the EC's official communications of November 2010 and October 2011.

General position

According to Coordination Rurale, the EC communication of November 2010 doesn't measure up expectations about food sovereignty, farm jobs and incomes or sustainable practices and natural resources preservation, at the moment. CR is even more critics when it says that the propositions of October 2011 symbolize the EU's abandonment of its agricultural sector.

Even if CR admits that the EC's communication of November 2010 seems to "show signs of a fairer distribution of direct payments", according to the union, there is still a lack of propositions to avoid the collapse of little farms in Europe and the dumping in southern countries.

Direct payments

According to CR it is incoherent that payments must depend on more virtuous practices while farmers have also to face global competition which doesn't care of environment and even less of social dimensions. The union said that "once again, farmers are penalized if they do not employ sufficient labour or if their practices are not as green as government officials would wish". According to the union, the CAP's reforms since 1992 are responsible for this situation, and not the farmers. CR is in favour of remunerating farmers with prices and not with direct payments. Nevertheless the union admits that farms localized in unfavoured area should benefit of special payment.

Market measures

According to CR, a strong politic willpower is needed for promoting international policies and mechanisms of regulation (supply management, intervention, public buffer storage, and taxing importations).

The sharing of added-value in the food supply chain is also considered as an important point by CR. The "observatory of price and margin" should transparently control the margin realized at each step of the supply chain, in order that the State redresses the abuses.

Rural development

CR didn't express its opinion about the structure of the CAP in two pillars, co-financing or rural development in its press release

²⁵ <http://www.coordinationrurale.fr/pac-2013-10-propositions-pour-une-pac-du-xxieme-siecle.html>
<http://www.coordinationrurale.fr/pac-2013-une-pac-en-contradiction-avec-le-traite-de-lisbonne.html>
<http://www.coordination-rurale-12.com/index-fiche-24285.html>
<http://www.coordinationrurale.fr/une-pac-mal-verdie-et-toujours-moins-dagriculteurs.html>

2.2.4. Permanent Assembly of Agricultural Chambers (APCA)

Several press releases²⁶ of the APCA are available about EC's communications linked with the public debate about the CAP's reform or the EC's communications of November 2010 and October 2011.

General position

The APCA is in favour of a **strong CAP** with adapted tools and an appropriate **budget**. Following the EC's communication of November 2010, the APCA applauds "a strong CAP, combining agriculture, food and territory", which restores the **objectives** of food security, territorial dynamics, and conservation of natural resources and production of renewable energy. However, the proposals of October 2011 had been greeted with much less enthusiasm. The APCA complained a **lack of ambition** and asked guarantees for the future CAP budget. It also asked for guarantee that the proposals made in relation to development and innovation in the territorialized channels of food production will be implemented.

Direct payments

According to the APCA, the end of the system based on historical references will be an important change in the French context which may need adaptations. This evolution should consider all the diversity of the French agriculture and it will probably need to improve the tools proposed by the EC in October 2011. The APCA calls for a gradual transition time for the adaptation of farmers to this change.

The APCA considers the reform of direct payments as "a fair price to pay for the high level of requirements asked to the agriculture". The APCA applauds "the end of a sterile opposition between 1st and 2nd pillars linked to economics and environment" but it asks for "a perfect standard's harmonization at European level".

Following the EC propositions of October 2011, the APCA consider the **greening** criteria as excessive. The allocation of 30% of the payments dedicated to environment and the obligation to use 7% of land for environmental objectives are considered as disguised obligatory fallows which counter the objective of competitiveness and productivity in a context of growing global demand.

Market measures

The APCA thought that the communication on November 2010 signed the end of dismantling regulation market's tools. Following EC proposition on October 2011, the APCA criticizes the lack of regulation tools and denounce the end of sugar's quotas, but admit that "the new tools to manage crisis time are an improvement if they are really responsive.

Rural development

According to the APCA, the diversification of the tools for rural development shows the importance awarded to that policy, but it also shows the **diversification** of the roles assigned by the society to the farmers. Nevertheless, The APCA is expecting the confirmation of the amount of resources allocated to these proposals.

²⁶ http://www.chambres-agriculture.fr/uploads/media/CP_PAC2013_181110.pdf
http://www.chambres-agriculture.fr/uploads/media/CP_budget_141010.pdf
http://www.chambres-agriculture.fr/fileadmin/user_upload/Presse/Communiqués/CP_Pac2014_2020.pdf
<http://www.terre-net.fr/actualite-agricole/politique-syndicalisme/article/apca-reforme-pac-2013-205-66370.html>

2.2.5. Fédération Nationale d'Agriculture Biologique (FNAB)

Even if the FNAB is a membership of the group PAC 2013, it also published its own press release²⁷ following the EC's propositions of October 2011.

General position

The FNAB is satisfied about the comeback of the organic conversion's support in the second pillar of the CAP. However it said that these clauses will also need an ambitious and coherent support of the national policies in favour of organic agriculture. Nevertheless, if the greening and the direct payment won't be harmonized at the national scale, the FNAB admits nothing will have changed.

Direct payments

The FNAB emphasizes the fact that the supports of organic agriculture have moved from a pillar of the CAP to another in just 3 years. That instability has led to several difficulties and a decrease of conversions according to the FNAB. The missing coherence of the government project about organic agriculture transition is solved by the comeback of conversion's measure in the second pillar. The FNAB hopes these dispositions will be maintained after 2013.

The FNAB applauds the implementation of a direct access to the green additional income for organic farmers, but deplors the fact that the cross compliance is not efficient to motivate farmers to initiate more respectful environmental practices.

The FNAB is also in favour of direct payment's harmonization at the national level. From its point of view, the historic reference system of direct payment must stop by 2019 because it is an unfair system, penalizing extensive and organic farms.

Market measures

The FNAB doesn't express its point of view about market measures in its own press release.

Rural development

The distinction between organic measures with others environmental payments is well received by the FNAB. According to the FNAB, the specific article of the second pillar dedicated to the organic agriculture shows the willpower to develop organic agriculture with specified resources and not to enclose it on a territory or in a specified market.

²⁷ http://www.fnab.org/index.php?option=com_content&view=article&id=266:la-pac-un-outil-de-developpement-de-la-bio-en-france-&catid=19:espace-presse&Itemid=44

2.2.6. ANIA (Association Nationale des Industries Alimentaires)

The ANIA seems not to react publicly after the EC's communications about the future CAP. However, the association had published a press release²⁸ expressing its position face to the future of the CAP in October 2009 and May 2010.

As food industries, the ANIA is in favour of instruments which could limit price volatility and guarantee the supply of its food inputs in order to guarantee moderate prices to consumers and decent incomes to farmers.

The association considers the priority of the CAP should be to feed the European population first, then to participate to the global food balance in a second time. According the ANIA, the other **objectives** of the CAP should be:

- To preserve and to improve competitiveness of agricultural sector in a global market.
- To guarantee fair treatments between European products and imported ones in regards with environmental and social standards in order to produce sustainably, protecting environment and natural resources.
- To invest in the accessibility of researches and innovations for all the food industries.

Thus the ANIA considers the CAP should not be limited to the second pillar while the first one must be more efficient, greener and easier to implement. Moreover, because of its co-financing by the Member States or Regions, the second pillar produces inequalities between them.

According the ANIA the direct payments must be kept as the main tool of the CAP in order to guarantee stable incomes' basis to farmers. The association is also in favour of the **capping** of these payments if it is not harmful to competitiveness of some production's channels.

2.2.7. Coop de France

Coop de France didn't published press release about EC's communication on the CAP, but a leading article of their journal²⁹ shows briefly their position through three main points:

- Firstly, Coop de France considers EC's proposals as a **lack of ambition**
- Secondly Coop de France questions the place of European agriculture in the global alimentary **challenge** while America exports a part of its production towards Asia and Africa.
- Finally, Coop de France agrees with the **objective** to protect environment and natural resources even if the proposals of CAP's reform have been too much focused on this point according Coop de France.

2.2.8. UIPP (Union des Industries de la protection des plantes)

The Union of Plants' Protection Industries didn't really react publicly about the EC's communications, neither about the reform of the CAP 2013. The UIPP's President only expressed the position of the union in a very short account, saying that UIPP is in favour of a rationalized CAP, which promotes the competitiveness and productivity improvements in order to optimize yields. Thus, the CAP should first support innovations as well as research in public and private sector.

²⁸ <http://www.ania.net/ania/ressources/documents/3/260BT9OdFCgTt5ccDW65h9Ui.pdf>

²⁹ <http://www.coopdefrance.coop/fr/56/coop-de-france-infos/> N° 60 Novembre 2011

2.3. Civil society

Even if environmental and development cooperation players have a stronger influence than in the past, they probably still remain weaker than in others European Member states. Nevertheless, we will focus on two important players representing civil society's interests in French agricultural sector:

- The group PAC 2013 is a French platform which brings together several³⁰ organisations of farmers, of groups promoting international solidarity, sustainable development, and natural resources protection, in relation with the future CAP.
- France Nature Environnement (FNE) is a civil movement bringing about 3000 associations together for nature and environment protection in France.

Thus, even if we only analyse two groups, they represent many organisations and NGOs of the civil society.

2.3.1. Groupe PAC 2013

We based our analyse of this group on three documents published by PAC 2013: its contribution to the debate of July 2010³¹, and two press releases about EC's communications of November 2010³² and EC's legal proposals in October 2011³³.

General position

According to the group PAC 2013, the CAP needs to be **re-legitimized** by an important reform. The period 2014-2020 should be a **transition time** in favour of a more fair and sustainable agriculture by 2020 in Europe.

The group identifies 6 main **objectives** to this reform:

1. To regulate prices allowing incentive and stable incomes.
2. Not to disturb food security of southern countries.
3. To couple direct payments with employment and environmental services.
4. To promote sustainable agriculture, fighting against climate change and answering other environmental challenges.
5. To support sustainable agriculture generating employment and participating to the territorial cohesion in favour of rural development.
6. To integrate food and consumption in the new CAP.

Even if the EC's communication of November 2010 was pretty well received by the group PAC 2013, it was not the case with the proposals of October 2011. According to the group PAC 2013, these proposals are very **disappointing** because many objectives had been forgotten or seem to be in contradiction with others.

The group PAC 2013 asks for "a real reform, not just adjustments". According to the group PAC

³⁰ Agir pour l'Environnement, Les Amis de la Terre, CCFD-Terre Solidaire, CFSI (Comité français pour la solidarité internationale), Cheminements, Confédération Paysanne, CMR (Chrétiens en monde rural), COHERENCE pour un développement durable, FNAB (Fédérations des agriculteurs biologiques des régions de France), FNCIVAM (Fédération nationale des centres d'initiatives pour valoriser l'agriculture et le milieu rural), Fondation pour la Nature & l'Homme, GRET (Groupe de recherche et d'échanges technologiques), LPO (Ligue pour la Protection des Oiseaux), MIRAMAP (Mouvement Inter-régional des AMAP), MRJC (Mouvement Rural de la Jeunesse Chrétienne), Peuples Solidaires, 4D (Dossiers et débats pour un développement durable), Réseau Action Climat France, Réseau agriculture durable, Solidarité, Terre de liens, WWF France.

³¹ <http://www.pouruneautrepace.eu/wp-content/uploads/2010/02/Propositions-pac-post-2013-final-FR.pdf>

³² <http://www.pouruneautrepace.eu/wp-content/uploads/2010/10/CP-101018-FINAL.pdf>

³³ <http://www.pouruneautrepace.eu/wp-content/uploads/2010/11/CP-26112010-FINAL.pdf>

2013, the proposals of the EC cannot allow “a deep reform of the CAP”. The group emphasizes the fact that these propositions are not in line with the recent opinion poll of Eurobarometer³⁴ which shows that majority of Europeans were expecting a more environment friendly CAP, which take into account small farms and support local food supply chain.

PAC 2013 notices that protein plants and leguminous development plan in Europe is still missing out in the EC’s proposals, whereas it could decrease protein dependence, reduce imports and deforestation.

On one hand the group was pleased to observe that protection of the environment and fighting against climate change had been integrated as a main objective in the future rural development policy. On the other hand, it deplored the missing of evaluation about the impact of this future CAP on the southern country.

The group PAC 2013 said it was urgent to get over an unfair system which allocates 80% of the payments to 20% of the farmers. The group is also suspicious about the orientations given to the CAP, thinking that they are not targeted enough at the moment to really boost a change of the CAP and considering that some of its objectives are in contradictions with others.

Direct payments

The end of the historical references and the **ceiling** of direct payments are the first steps to make the CAP fairer than it was between farmers. Nevertheless the ceiling is considered too weak and the group PAC 2013 is in favour of direct payments linked with employments and not with land-size as it is now.

The group PAC 2013 also criticizes the greening measure proposed by the commission: firstly they are less ambitious than the initial proposals of the commissioner D. Ciolos, and secondly, the group suspects the EC to have green-washed already existing measures. For instance, these green-measures won’t change anything in France because they already exist thanks to the cross-compliance payments. This green washing is suspected to have been driven by the French authorities in order to continue the same payments, greening them, but without questioning the present model of production.

Market measures

Whereas the EU is into the Doha Cycle process of liberalization, the group PAC 2013 would like stronger regulation mechanisms in order to guarantee decent incomes to farmers, and affordable prices to consumers.

The group PAC 2013 calls the EU to stop all kind of exportation supports, emphasizing the contradiction of the October’s proposals between feeding the world on one hand, and the objective of integrating coherent southern countries’ development policies on the other hand.

³⁴ Eurobarometer special 368, September 2011 http://ec.europa.eu/public_opinion/archives/ebs/ebs_368_en.pdf

2.3.2. France Nature Environnement (FNE)

This group published many press releases³⁵ about its proposals for the future CAP, or in reaction of the EC's communications of November 2010 and October 2011.

General position

FNE identifies three main **challenges** of the future CAP: the environmental challenge, the energy and climate one, and the food one. This group is in favour of a **strong CAP**, which promotes environmental protection for a sustainable agriculture, and it admits that an ambitious **greening** of the CAP needs a social and environmental regulation of trade, taking into account the food sovereignty of the southern countries.

According to FNE's vice-president, the project of the future CAP (EC's legal proposals of October 2011) is heading in the right direction but the way is still long to consider this reform as a turning point of the CAP toward sustainable food sovereignty.

Direct payments

FNE proposed the end of the distinction between two pillars and the establishment of a **single pillar** which would be based on the support of environmental and social services provided by agriculture according several levels of requirements.

FNE applauds the EC's proposition that 30% of direct payments would be dedicated to "green payments", linked to respectful environment practices, harmonized at the European scale.

Even if FNE is satisfied about the **ceiling** of direct payments according to employment, it considers that the green part of payments should be conditioned by rotations with four crops at least because France already use cross-compliance with the rotation of three crops.

Market measures

FNE promotes an environmental regulation of trade by **taxing importations** which don't respect European environmental standards. FNE is in favour of European community preference, because it considers that global liberalization of agricultural trade generates social and environmental negative effects.

Rural development

Concerning the second pillar of the CAP, FNE is in favour of the allocation of 50% of this fund toward environment targets as for example the implementation of measures into areas of Natura 2000.

³⁵ http://www.fne.asso.fr/_includes/mods/kb_upload/File/agriculture/Position_FNE_Bilan_de_sante_de_la_PAC.pdf
http://www.fne.asso.fr/_includes/mods/kb_upload/File/agriculture/PAC/PAC_propositions_FNE_100628.pdf
http://www.fne.asso.fr/fr/agriculture-oui-a-une-pac-plus-verte.html?cmp_id=33&news_id=1880
www.fne.asso.fr/com/cp_en_pdf_2/pac-priorite-fne.pdf
http://www.fne.asso.fr/fr/fne-s-oppose-au-greenwashing-de-la-pac.html?cmp_id=33&news_id=12492
http://www.fne.asso.fr/fr/pac-2014-transformer-l-essai.html?cmp_id=33&news_id=12501

2.4. Researchers and think tanks

We focus on three main think tanks describing different positions about the CAP reform of 2013:

- One report is written by two researchers in agricultural economy and published by Notre Europe. Notre Europe is a think tank founded by Jacques Delors.
- The French academy of agriculture is a space of discussion on agriculture which includes many persons working on agriculture in administrative, scientific or economic fields.
- Momagri is a think tank chaired by the president of Limagrain (the French biggest cooperative of crops).

2.4.1. Report of J.C. Bureau and L.P. Mahé

One document, rather long and precise, was published by “Notre Europe” in August 2008 and written by two economic researchers, J.C Bureau and L.P. Mahé³⁶.

General position

These researchers agree on the last reforms, especially the decoupling, the cross-compliance, the modulation (money transferred towards the 2nd pillar), the uniformity of direct payments between farms... **Expenses** for CAP should now be reduced and strongly revised. A significant CAP reform is especially possible in the present context of high crops prices. Policies should be focused on **market failures** (volatility of agricultural prices, unfair competition, externalities...) and ethical and cohesion objectives.

Direct payments and rural development

Direct payments should not be distributed according to national amounts any more. They should be co-financed by Member states and local governments. They should be distributed proportionally to the services produced by the farmers. All payments should be paid together into one contract: a first level of subsidies should be decoupled and paid only if the farmer implements some practices for maintaining the agricultural landscape. This contract should be limited to some years and the amount of subsidies should be reduced, so that the other agro-environmental subsidies could be attractive. A second level of subsidies should be focused on areas with natural constraints and coupled to the production, with limits of intensification. Then a third level of subsidies should be reserved to farms with higher environmental practices (as organic farming), especially in areas with high natural value or environmentally fragile. Environmental targets should also be achieved thanks to an efficient implementation of environmental policies (norms, taxes). Finally, a real European rural development policy should promote especially bottom-up projects and bring together all players and interests of rural areas.

Market measures

Intervention should be reduced to **safety nets**, activated only in exceptional situation. It should be managed by an independent agency according to the developments of the world markets. **Private risk management tools** should also be temporally supported.

The future agreement of the WTO is a necessity. “Sensitive products” and special tariffs should be designed according to the **public goods** produced by agriculture and according to legitimate objectives. The EU should absolutely demand the protection of intellectual property of geographic indications.

³⁶http://www.notre-europe.eu/uploads/tx_publication/Etud64-PAC-propositions-fr_01.pdf

2.4.2. French Academy of agriculture

It wrote in April 2010 a rather long and precise document on CAP after 2013, during the public debate initiated by Dacian Ciolos³⁷.

General position

The CAP must evolve in order to be more intelligible and legitimated by some **objectives** (support of farm incomes, sanitary security, animal health...). 1st and 2nd pillars should be **brought together**, as market and non market goods produced by agriculture are closely linked. Demand of quality and nutritional food could be supported in mass catering, in collaboration with local governments and producer organisations. More generally, a common food policy should be promoted into the CAP: it should target poor people, collective school and mass catering and some products with high nutritional value (fruits, vegetables, products with food quality certification...). NGO's and local governments could be supported to develop contractual trade relations with producer organisations and with stable and remunerative prices.

Direct payments

Most of productions should be supported thanks to intervention and/or direct payments in case of strong decreasing of prices. However, the quantity of production (or the number of hectares and the livestock's size) being supported should be limited. As Single payment scheme creates illegitimated incomes, increase land prices and aren't acceptable by farmers and by tax payers, they should be replaced by more flexible and fairer mechanisms. Direct payments should be paid on a **sliding scale** according to the farm size and/or they should reach a ceiling according to farm employment. They should be also coupled and vary according to prices (contra-cyclical payments). As a consequence, CAP **budget**, including direct payments, must be much more flexible and decided over several years. Common market organisations should be maintained. Direct payments should also vary according to regions for preserving agriculture in all territories (it corresponds to the present support of areas with natural constraints).

Market measures

EU should support international cooperation for market regulation, based on food sovereignty (buffer stocks, supply management, support of agricultural development of poor countries). Storage, **supply management** and intervention are still necessary for orienting productions, for covering production costs and for avoiding too strong or drastic variations of income. Protection against imports should allow limiting volatility of farm incomes, without encouraging overproductions. It should be legitimated by food and sanitary security, by European farm social model and by additional costs of production. Weather and animal disease **insurances** should be promoted, however turnover insurances could not replace public intervention.

Rural development

CAP should better support some productions furnishing environmental services, as grasslands, organic agriculture, and farming with low level of inputs... Environmental **public goods** should be supported thanks to collective and territorial contracts, during 7 years for a longer engagement. This support should vary according to employment and size of farms.

³⁷<http://www.academie-agriculture.fr/mediatheque/seances/2010/20100414resume2.pdf>

2.4.3. Momagri

Momagri sent a position during the public debate initiated by Dacian Ciolos³⁸.

General position

It defends a **strong CAP**, aiming especially food security and quality products, produced in an efficient and sustainable way. Managing risk and uncertainty, coming from price volatility and speculations (particularly on financial markets), is the main **challenge** of the CAP. The CAP should be focused on these **objectives**:

- to guarantee remunerative agricultural prices, stable farm income and protection against dumping,
- to have an appropriate budget,
- to protect efficiently the agricultural markets against systemic risk of damage,
- to increase agricultural production for avoiding dependency on other countries,
- to collect and develop a better knowledge about international agricultural markets.

Direct payments

As the prices should be regulated for being remunerative, direct payments could be focused on some precise goals: support of endangered supply chains, innovation, protection of territories and environment...

Market measures

Balanced prices should be defined in an annual agreement for each agricultural production and each economic area. There would be public regulation only if prices do not stay in a defined range. In this case, EU could implement **emergency measures**: public storage, taxes on imports, agricultural area management... This would discourage speculations and decrease the **CAP budget**, as it would be implemented only if there are crises. Income **insurances** could also be supported: this would be an efficient tool against volatility of prices, when they stay in the defined range.

³⁸http://www.momagri.org/FR/tribunes/La-contribution-de-momagri-au-forum-La-politique-agricole-commune-apres-2013-_723.html

3. Comparative analysis of the French players' positions

The last part of the report proposes a transversal analyse based on the individuals French players' positions analysed before. This work should enable us to compare the players' positions on precise points of the EC's communications of November 2010 and October 2011.

3.1. General position

The budget and its distribution between Member states

French players seem to be quite satisfied with the first communication of the EC in November 2010. However, they are much more disappointed with the legal proposals of the EC in October 2011, which are considered as not ambitious enough.

The "appeal of Paris" for a common agricultural and food policy, signed in 2009 by 22 Member states, was initiated by France. It promotes a strong CAP. This is very often the position of French players in the debate on CAP after 2013. Almost all French players, including environmental ones, are in favour of maintaining the same budget as before. However, some environmental and development players (group PAC 2013, ministry of environment) claim for maintaining the budget only if it does not continue to damage environment and agriculture of southern countries. Only some researchers defend a strong decreasing of the CAP budget in any case. This analyse reveals a specific positioning of France in favour of a strong CAP with consistent budget and market regulation mechanisms. Thus, we can consider that French position is generally opposed to the liberalization of markets and the weakening of the CAP.

In their communication, almost all French players except FNSEA accept a new distribution of expenditures between Member states. However, some players (ministry of agriculture, national parliament) precise some conditions, which could strongly nuance the distribution: taking into account the situation of each agriculture, financial participations in the EU budget...

Finally, only one report that we mention in this study (those of J.C. Bureau and L.P. Mahé) defends a general co-financing. On the contrary, national parliament is explicitly opposed to the increasing of co-financing, as it is a way of nationalising the CAP. In fact, co-financing is opposed to the fundamental solidarity principle of the CAP and risks to increase the inequalities existing between regions or member states (those which can co-finance and those which cannot do it).

The challenges

All players mention the same challenges than the EC (food security, environment protection, rural development...). One challenge is particularly underlined by almost all players, including environmental ones: support decent farm incomes. Like the EC, almost all French players also mention the food security as a main challenge of the future CAP. However, some players, such as the national parliament, FNSEA, APCA and Coop de France, insist on the capacity of European agriculture to feed the world with European exportations, whereas others, such as the ministry of environment, Confederation Paysanne, FNE and the groups PAC 2013 are opposed to an export oriented CAP, and would prefer a CAP promoting its own capacity to feed sustainably the EU population. That is an important issue questioning the CAP's definition of European agriculture's objective, which is asked at European scale, as well as French one.

Balance between 1st and 2nd pillar

Some players (national parliament, and regions : Corse, Languedoc-Roussillon, Provence-Alpes-Côte d'Azur, and Rhône-Alpes) defend the same balance between 1st and 2nd pillars. Others (French senate) claim for redefining the content of these two pillars. Finally, some players (ministry of environment, Academy of agriculture, FNE) propose to bring together the two pillars, as it would make the coordination of the CAP's objectives easier, and could reduce the risk of their contradictions.

Special supports

Contrary to the EC's legal proposals, several French players (the group of four regions including Rhône-Alpes, CESE, group PAC 2013) support the idea of a European policy for developing protein and leguminous plants in EU, for food independence in the first case and the environmental protection in the second case. Some others (national parliament, region Rhône-Alpes, Academy of agriculture) insist also on the supports of food programmes : food distribution program for the most deprived persons should not be cut and demand of local, quality and nutritional food should be supported, especially in mass catering.

3.2. Direct payments

Many French players are quite satisfied with some legal proposals of EC: the payment to active farmers, special support of small farms, and introduction of supports of areas with natural constraints into the 1st pillar, are well received. As the EC's legal proposals, most of players defend the possibility to re-couple subsidies in some productions. The position of regional governments for decentralizing the management of direct payments has to be noticed.

Greening of direct payments

The greening is particularly debated. On one hand, FNSEA, CNJA and APCA are opposed to the greening, as it is proposed by the EC. The ministry of agriculture specified some conditions and then refused the proposals of the EC. On the other hand, other players consider the greening of direct payments as too weak. They propose much more greening of direct payments, with stronger constraints (socialist party, Confédération paysanne and even more, ministry of environment, FNE, FNAB, group PAC 2013, J.C. Bureau and L.P. Mahé).

Capping, uniformity and calculation of direct payments according to employment

Nobody opposes clearly to the capping of direct payments and some wish to put a stronger capping than the one proposed by the EC's legal proposals (regional governments, Confédération paysanne, group PAC 2013). According to these players and others (national parliament, socialist party, FNE and even more ministry of environment, region "Rhône-Alpes", CESE), direct payments should be paid per farm worker and not per hectare, possibly according to the income parity. At least, calculation or capping of payments must take into account the employment. It has to be noticed that in its communication, the ministry of agriculture does not take any position on this point, just as the main groups of farmers (FNSEA, CNJA, APCA). Similarly concerning the national or regional uniformity of direct payments, some players (ministry of agriculture, FNSEA, APCA) accept it only with flexible modalities and calendar, contrary to others, who claim a complete uniformity (national parliament, regional governments, CESE, FNAB, group PAC 2013). On these questions, differences appear clearly between majority farmers' union and ministry of agriculture defending the same distribution and those claiming for redistribution, especially regional governments, environmental players and Confédération paysanne. In fact, the distribution of payments appears clearly unequal between productions, regions and farms and in favour of capital (number of hectares) and not of

employment (number of farmers).

3.3. Market measures

Almost all players want to stop the dismantling of market's regulation tools and to reinforce the regulation mechanisms. However, the ministry of agriculture is quite happy with the new possibility of urgency measures and risk managing tools for farmers. Almost all other players are much more critical: safety nets and private mechanisms (insurances, mutual funds, contracts, recognition of Producer Organisations and inter-branch organisations...) are considered as not sufficient. Incomes have to come mainly from fair prices and not from direct payments. Stronger and very reactive public regulation of markets should be implemented, as for instance: guaranteed prices at a sufficient level, supply management in some productions, or public storage for long periods. These mechanisms seem especially necessary for livestock farming, facing strong difficulties face to the volatility of prices. Almost all French players (ministry of agriculture, national parliament, Academy of agriculture, socialist party, regional governments, Academy of agriculture, APCA, Confédération paysanne, Coordination rurale...) defend explicitly supply management. Some of them are explicitly opposed to the end of sugar quotas (which is part of the legal proposals of the EC) or to the end of milk quotas or planting rights for wine. Finally, some players (national parliament, CESE, academy of agriculture) propose counter-cyclical payments, which vary with prices and revenues, as in United States. Only few players claim for the end of export subsidies (group PAC 2013, FNE).

Reinforcing the power of farmers for negotiating is often mentioned. According to some players (Confederation Paysanne, PAC 2013, FNE) this should require some supports to the organization of local channels of food production and the development of local markets.

Some players (national parliament, CESE, Confédération Paysanne, Coordination rurale) mention the WTO's rules as a constraint which should be strongly questioned. They sometimes propose environmental, sanitary, social and animal health rules on imports (national parliament, the group of four regions including Rhône-Alpes, Academy of agriculture, FNE) or the harmonization of these standards in order to be competitive face to importations which currently don't have to respect the same standard. They also demand that the EU supports international cooperation for market regulation, based on food sovereignty (Academy of agriculture).

Finally, some players (national parliament, CESE) demand stronger regulation of financial markets of commodities.

3.4. Rural development

Rural development and 2nd pillar retain much or less attention: many players (especially ministry of agriculture and all farmers unions) do not mention anything, showing that it is not a key point for them. Only regional governments insist on the 2nd pillar and precise some key demands: the French government should choose the option of regional managing of the rural development programmes. The EC should enlarge the criteria of the areas with natural constraints and include risk management tools into the 1st pillar (and not the 2nd pillar). Other diverse points are underlined by some players. For example, the FNE demands an allocation of 50% of 2nd pillar toward environment targets,. In their report, J.C. Bureau and L.P. Mahé underline the need to promote bottom-up projects...

4. Conclusion

Regarding the CAP's reform of 2013 and the proposals of the EC's communications, we can observe that almost all players agree about some assessments whereas their opinions can strongly vary about other issues.

Almost all the players seem to be in favour of a strong CAP with mechanisms for regulating market failures and for managing the supply. Thus, it deals to maintain the current CAP's budget (excepted, according to the group PAC 2013, if the CAP still has negative impacts on environment or rural society). Moreover, almost all players were disappointed by the EC's legal proposals of October 12th 2011. Whereas many French players were enthusiastic about the first EC's communication on November 2010, they currently consider that this new CAP is not ambitious any more.

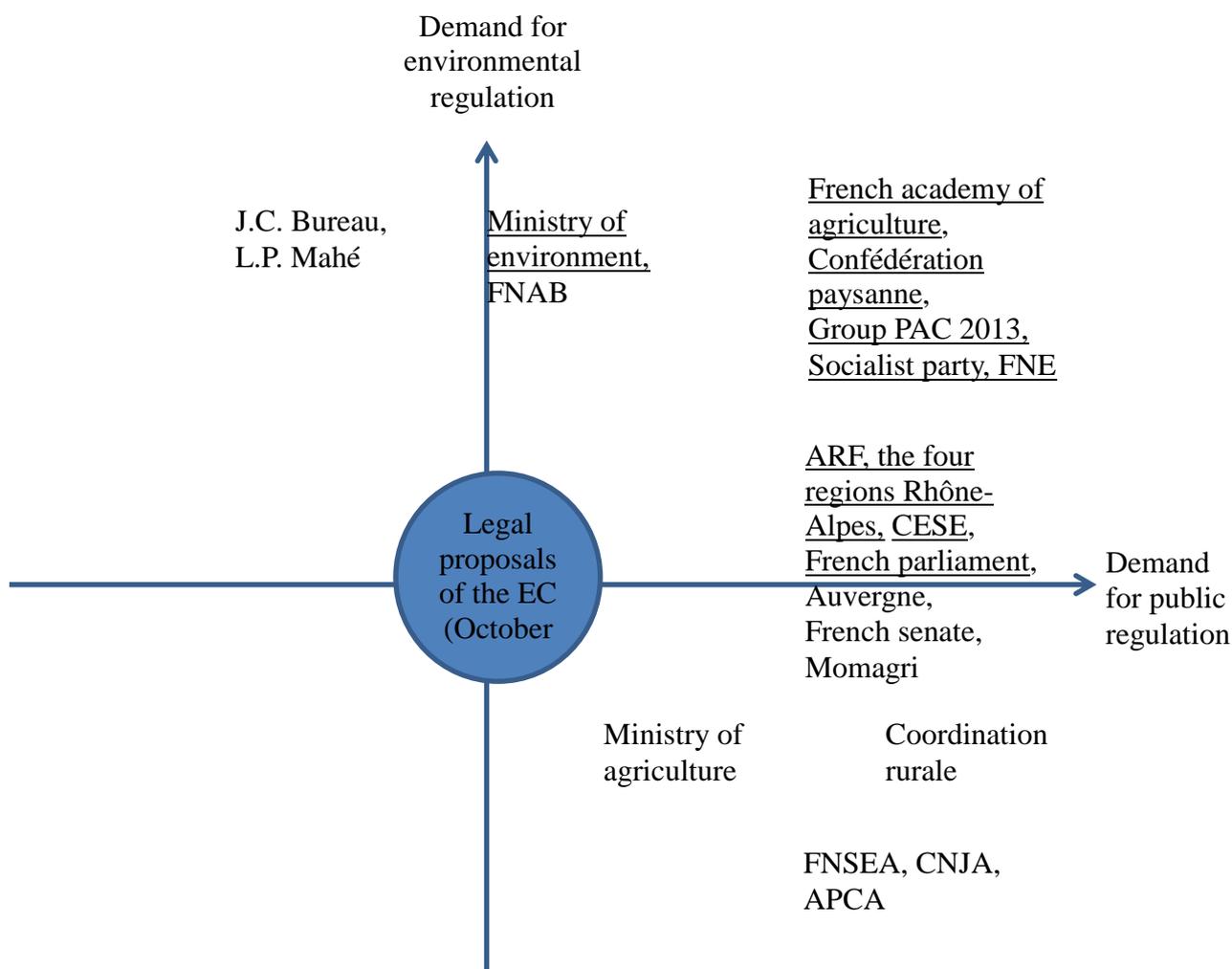
Even if there are some shared points of view, there are also diverging positions about many issues. According to our analyses, the most important oppositions between French players are about:

- the greening of direct payments. Some players think that EC's proposals about greening are too strong whereas others consider them as too weak.
- the objectives of European agriculture. Some players think that European agriculture's priority is feeding European population in a sustainable way, whereas others think European agriculture priority is feeding the world and exporting its food production.
- the redistribution of direct payments and European expenditures. Some French players try to maintain the current level of payments they receive whereas others considers that historical references' system is unfair and that is why they want a quick redistribution of direct payments.

The reforms of the CAP since 1992 could be characterized by a public deregulation of markets (progressive abandonment of intervention, export subsidies and supply management, decreasing of import taxes, decoupling of direct payments...) and by a stronger consideration of environmental demands (cross-compliance, reinforcing of 2nd pillar, possibility of reorienting some subsidies of the 1st pillar...). We finally propose a synthesis of the French public debate on the reform of the CAP 2013 through the following scheme, mapping the French players' positions in the debate. We underline the players which demand a better consideration of social demands, by taking into account employment in the calculation of direct payments and by reaching down the capping of the direct payments.

Mapping of the main players in the debate on the CAP after 2013

We underlined the players which support measures taking into account the social aspects (especially the farm employment)



Among the different documents analysed in this report, French stakeholders (except in the report of J.C. Bureau and L.P. Mahé published by Notre Europe) claim for a stronger regulation. However, we can distinguish in this field two main types of players:

- those which support also strong environmental and social considerations (French academy of agriculture, Confédération paysanne, Group PAC 2013, Socialist party, FNE),
- the main farm unions and chambers of agriculture which are opposed to strong environmental considerations and which do not express any real change for better taking into account employment.

Finally, this Map seems to show us that the French ministry of agriculture takes an intermediary position between EC's proposals and the main farm unions, which can be interpreted as the result of the co-management of the agricultural policy in France, in close relation with the majority union.

Abbreviations

ANIA : Association Nationale des Industries Alimentaires

APCA : Assemblée Permanente des Chambres d'Agriculture

ARF : Association des Régions de France

CAP: Common Agricultural Policy

CCFD : Comité Catholique contre la Faim et pour le Développement

CFSI : Comité Français pour la Solidarité Internationale

CNJA : Cercle National des Jeunes Agriculteurs

Coop de France : Coopérative de France

COPA-COGECA :

CESE : Comité économique, environnemental et social

EC : European Commission

EU : European Union

FNAB : Fédération Nationale de l'Agriculture Biologique

FNE : France Nature Environnement

FNSEA : Fédération Nationale Syndicale des Exploitants Agricoles

MAAPRAT : Ministère de l'Agriculture de l'Alimentation , de la Pêche, de la Ruralité et de l'Aménagement du Territoire

MEDDTL : Ministère de l'Ecologie, du Développement Durable des Transports et du Logement

PAC: Politique Agricole Commune

UIPP: Union des Industries de la protection des plantes

WWF : World Wildlife Fund