

**JOINT DECLARATION OF THE MINISTERS OF AGRICULTURE OF BULGARIA,
CZECH REPUBLIC, ESTONIA, HUNGARY, LATVIA, LITHUANIA, POLAND AND ROMANIA**

on the reform of the Common Agricultural Policy

Ministers of Agriculture of Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland and Romania have agreed on the following joint position at the meeting in Warsaw on 24 February 2020:

WE BELIEVE that the Common Agricultural Policy (CAP) will remain an important policy of the European Union, in accordance with the objectives laid down in the Treaties.

WE RECALL that the essential role of the CAP is to guarantee food security, economic profitability of farms and viability of rural areas, taking into account the ever-changing expectations of the European society. Ensuring an adequate level of support and thus farm income remains a key element for the future in meeting these objectives.

WE NOTE that the tasks related to the economic development of rural areas and closing development gaps between urban and rural areas, modernisation of the agri-food sector, increase in innovation, support for less-favoured areas and generational renewal are still valid. The CAP should continue to guard the attractiveness of rural areas as a place to live, work and relax and to be a source of financing for public goods delivered by agricultural activity and related to rural space.

WE ARE AWARE OF changes in social expectations, according to which the CAP should contribute more than before to protect the environment and combat climate change through sustainable production systems, with a view to preserve natural resources of land, water and biodiversity for future generations, and to reach carbon neutrality at the EU level.

WE HIGHLIGHT that the Green Deal proposes a new way to achieve the environmental and climate goals, health goals and sustainable economic development, and for the agricultural sector it proposes the *From Farm to Fork Strategy* aimed at creating a fair, healthy and environmentally-friendly food system.

WE ESTIMATE that the implementation of the Green Deal with regard to agriculture will mean more sustainable application of chemicals in agriculture, increased protection of soils, water and air, application of climate- and environment-orientated measures in the whole agricultural production cycle.

WE NOTE that these new standards will require higher-than-before expenditures, investments in ecological technologies, sustainable solutions and new jobs and will generate higher costs.

WE STRESS that the essential issue is the way of financing these new tasks. Higher needs must be reflected in the Multi-Annual Financial Framework (MFF). Urgent discussion is needed on how to finance the Green Deal's measures, such as, but not limited to: climate policy, protection of biodiversity and *From Farm to Fork Strategy*.

WE REJECT therefore cuts to the CAP budget for the next MFF. WE INSIST that should be maintained at 2014-2020 level, which is even more justified by the new requirements stemming from the Green Deal.

WE BELIEVE that imposing excessively ambitious requirements on farmers, without the possibility of supporting them properly in meeting these requirements, would have a negative impact on our agricultural sector. Therefore, we stress that ambitious goals must not jeopardize the viability and competitiveness of European agriculture and threaten the achievement of the assumed goals and outcomes of the CAP.

WE BELIEVE that the essential element of support for farmers will remain direct payments which are proposed to be oriented towards the environment and climate through eco-schemes and enhanced conditionality.

WE STRESS that great challenges faced by farmers, including the legal requirements, which will result from the Green Deal's initiatives, *inter alia*, with regard to carbon neutrality, are equal in all Member States. Therefore, the significant differences in direct payments among the Member States are less and less justified.

WE HIGHLIGHT that the increased number of tasks with regard to the environment and climate protection leads to an increasing mismatch between the CAP goals of today and the allocation of funds for direct payments available to the Member States, which still reflects the differences resulting from historical intensity of production in the various agricultural sectors.

WE THEREFORE BELIEVE that an ambitious approach towards the external convergence of direct payments is essential, in order to provide all farmers in the EU with a level playing field as regards joining the implementation of EU climate goals. Without prejudicing the final method of external convergence, WE STRESS that it cannot happen at the expense of those Member States who are below the average level of direct payment.

WE ALSO RECALL that direct payments play an extremely important role in stabilising income in unprofitable years. As a result of increasing market orientation of European agriculture, producers' incomes are becoming increasingly unstable, therefore, it is important to maintain the level of economic balance through a system of direct payments and the alignment of lower rates would provide an equal starting position in new conditions.

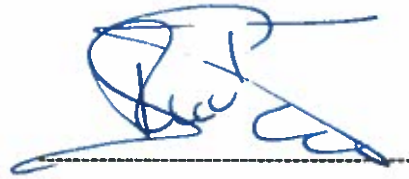
WE BELIEVE that social and economic stability of agriculture should be achieved together with environmental sustainability of the sector. Interventions addressing the needs of different sectors of production that significantly contribute to achievement of these goals and their positive effects should be respected in the reformed policy. Specific situation of each Member States, i.a. farm structures or on farm employment, should be taken into account in application of various elements of the direct payment system.

WE STRESS that also rural development support provides significant CAP contribution to the environmental and climate objectives, while promoting the economic and social viability of rural areas and technological development of agri-food sector. Therefore, reduction of rural development funding, particularly in the context of higher environmental ambition and Green Deal, cannot be allowed.

WE HIGHLIGHT that the new CAP should be simpler both for beneficiaries and for national administrations, while providing the required flexibility in its implementation by the Member States. In this context WE ARE CONCERNED about uncertainties, administrative burden and possible financial risks connected with the New Delivery Model proposed by the Commission. Further discussion is required on practical implementation of this new approach.



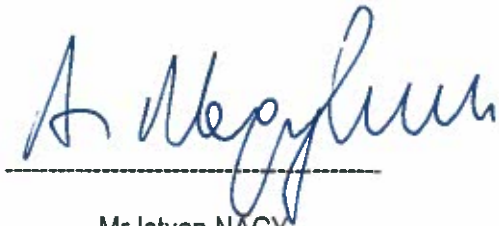
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