



19th October 2017, Budapest

The representatives of the agricultural chambers and organizations from Poland, Czech Republic, Slovakia, Hungary, Estonia, Lithuania and Croatia together with The National Grain Producer Association in Bulgaria agreed to amend the original

BRATISLAVA DECLARATION

on Common Agricultural Policy post 2020

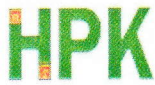
The objectives of Common Agricultural Policy are still very relevant and must be maintained. Unfortunately, management of Common Agricultural Policy (hereinafter CAP) was disappointing for the most of our countries in the past period. CAP imposes additional costs and excessive administrative burden on farmers. Legislation is more and more complicated and less understandable. CAP hasn't brought a new system of distribution of funds and instead, tolerates a system based on historical reference data. We need stronger, more equal, and simpler CAP based on the principles, as follows:

- **Fair and equal competition conditions for farmers in all EU Member States**
- **Maintaining strong CAP budget**
- **CAP simplification**
- **Fair food chain functioning**
- **Risk management / ensuring farmers' income**
- **Maintaining agricultural production in the EU rural areas**



Agricultural chambers of Poland, Czech Republic, Slovakia, Hungary, Estonia, Lithuania and Croatia together with The National Grain Producer Association in Bulgaria will advocate following priorities in the period of preparation for new CAP post 2020, which reflects needs and requirements of their farmers:

- 1) CAP should be really common and with equal conditions for farmers in all EU Member States, thus not distorting common market. Therefore:
 - a) We ask for equal level of direct payments for all EU Member States. It is necessary to ensure fair competition conditions that would eliminate differences in supports (based on historical references) through direct payments among EU Member States,
 - b) We propose to set limits to the amount of supports financed exclusively from state budget resources as well as limit for co-financing of rural development programmes dedicated to agriculture from state budget. Exceptions might be made in cases of exceptional geographical and climate conditions,
 - c) Support for the areas with natural constraints is necessary and has to be financed sufficiently without any form of capping applied for these payments as these are in fact a form of compensation for difficult farming in these areas. At the same time, we support introduction of the system, favouring farmers intensively farming in these difficult conditions. We propose the issue of degresivity would be in competence of particular EU Member States,
 - d) The implementation of capping and/or degresivity of direct payments should under scrutiny of the competence of the Member States, i.e. each Member State will decide whether to apply capping or not,



- e) Environmental measures should better support precision farming, as this is especially useful for prevention of excess utilisation of fertilisers and loss of nutrients.
- 2) New CAP programming period has to contribute to balanced territorial development and production in all rural areas. Support of production development in all rural areas including less favoured areas, could contribute to preserve rural settlement, protect environment, and maintain biodiversity,
 - 3) We require to adopt a new policy to ensure a sustainable farming sector, fair price for farm products, on time payment and rules against unfair trade practices of market chains at the EU level. In order to improve food chain functioning it is necessary to monitor more precisely the level of competition, strengthen negotiating power of farmers, promote fair and transparent price formation, which should not be lower than the production costs and should not be lower than the price common in the country of origin.
 - 4) We require to adopt EU legislation ensuring equal quality of the same brands of food in all EU Member States and applicability of equal food standards to all food coming from third countries.
 - 5) Greening payments, including local conditions in particular Member States have to be reviewed. It has to be simplified as CAP "greening" today causes extensification of farming and reduces competitiveness against the third countries.
 - 6) CAP reached the level at which it's not understandable nor for farmers, nor for society. Rules and standards have to be realistic and feasible. We require more transparent and radically simplified system of providing supports, and reduction of administrative burden on institutions administrating supports financed or co-



- financed from EU sources, but mainly reduction of administrative burden on applicants / beneficiaries,
- 7) We propose introduction of efficient and systematic measures for management of imbalance and risks on the markets with agricultural commodities and compensation of price volatility and natural disasters, according to each Member State needs and natural conditions in the Member States.
 - 8) We propose more intensive application of measures ensuring fair and efficient utilisation of CAP limited resources, as financial instruments and system measures for risk management, as support of insurance and insurance of risks uninsurable by private insurance companies (e.g. drought), This system could work in parallel or in cooperation with national programs focused on insurance of uninsurable risks, that are aimed to mitigating the impacts of extreme incidents of climate change.
 - 9) It's necessary to support cooperatives / producer groups in their growth and association. We propose to consider support for establishment of cross-border cooperatives / producer groups. Support for establishment of cooperatives / producer groups is especially necessary in those Member States with low level of cooperation. This requires additional sources within rural development and investment incentives for agricultural cooperatives and producer groups.
 - 10) There have to be developed specific and focused financial and organisational mechanisms that would support young farmers in setting-up or develop their businesses, as well as measures for new stakeholders in the sector of agriculture, who no longer meet the "young farmer" definition.
 - 11) We support allocating more funds to promotion and marketing measures that develop new marketing channels to the third countries for EU agricultural



production. This would lead to better prices for all producers – those exporting to the third countries, and those selling primarily within single market. We need regional balance of distribution of EU promotion policy funds.

In Budapest on 19th October 2017

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