TOWARDS A NEW
COMMON AGRICULTURAL POLICY

Slow Food Policy
Paper on CAP
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Introduction

As the Common Agricultural Policy (CAP) undergoes a wide-reaching reform process, the European Union is facing a challenge that will be vital for its future. In autumn 2011, the European Commission will submit its draft legislative proposals, and at the start of 2014 the new CAP will enter into force. The months leading up to the conclusion of this process will be fundamental for the definition of agrifood production methods and understanding of the EU’s role over the next decade.

In the years to come, the EU—indeed the whole world—will have to face challenges the like of which it has never seen before. The need to continue to ensure food security will be compounded by the more immediate one of solving problems such as climate change, environmental and natural resource protection, energy provision and so on once and for all. These questions have to be answered within the context of the last century’s broader economic, environmental and social crisis. The current economic paradigm, based on the domination of finance and production as an end unto itself, has revealed all its shortcomings, and the time has now come to identify new policies that are not exclusively geared to liberalising the market and privatisations.

Though the CAP played a vital role in driving off the spectre of famine in the postwar years, it now arrives at the appointment with reform with critical difficulties on its plate. In Europe, the policy is shrouded by a great lack of confidence. Many see it as being far removed from the needs of contemporary society and citizens and the demands of sustainable small- and medium-scale agrifood production. It is also accused of being structured solely to benefit agribusiness, a slave to the rules of a hollow liberalism that has proved, de facto, incapable of offering convincing answers to the problems we discuss below (see section 1).

If it is to break free from the rule of agribusiness and the large-scale distribution sector and at last offer solutions to the contemporary crisis, the EU needs to rethink the structure of the agricultural sector and the food system in general. At the same time, citizens and the small- and medium-scale agrifood world have to seize the opportunities offered by the great democratic process of CAP reform, mobilising to demand changes capable of solving the serious problems that await European society for good.

This is why Slow Food, which believes that the current agrifood system is environmentally, socially and economically unsustainable, has decided to bring its experience and vision to bear in the debate on CAP reform and help develop a juster, fairer, more ecological policy.

This document sets out Slow Food’s vision of the major issues at stake in the ongoing reform process. After outlining the present state of the CAP and European agrifood production, it describes the values, goals and experiences of the Slow Food movement (section 2). The document goes on to list the guidelines Slow Food believes the CAP should follow over the next few years and it then concludes by focusing on two specific subjects— young people and agriculture; support to small- and medium-scale agrifood production— which Slow Food sees as being particularly close to its own philosophy and of top priority in the drawing up of the new CAP (section 3). Over the coming months, Slow Food will be particularly active on the two subjects, organising general mobilisation initiatives and awareness-raising activities at Community level and in the European Union’s 27 Member States.
The CAP Today: limitations

This section presents what Slow Food sees as the most worrying problems in the CAP as it stands, solutions to which are of primary importance in the reform process.

Inequality

The present direct payment system is especially unfair for two reasons. First, payments are not distributed uniformly among the various agrifood producers. According to official statistics, 85% of payments benefit just 18% of producers (the equivalent of 25% of jobs) and 1.58% of farmers receive direct payments worth over 50,000 euro each (European Commission, 2010). Secondly, the direct payment system is also unfair in its distribution of resources among Member States. In general, the main criteria that allocate and share out payments among the oldest Member States are based on the historical model which calculated aid on the benchmark prices of single products. For States that have joined the Union since 2004, the share-out criterion—which cannot be based on the same formula applied to the other States—is based on a single sum per hectare. As a result, the average amount of these payments is substantially lower than that received by older Member States. The inequality of the current direct payment system is thus there for all to see. Furthermore, the linking of production support to “historical” criteria fails to reflect the current state of the market and the needs of agrifood production in Europe. The system implicitly keeps alive the “old” trend for Community aid to benefit large-scale producers, without providing an adequate backup to the people—namely sustainable small- and medium-scale producers—who really need and deserve to receive it.

Injustice

The general EU food scenario is, to say the least, paradoxical: of a total population of just fewer than 500 million inhabitants, 42 million live in conditions of severe deprivation (Eurostat, 2010), more than 250 million are overweight (European Commission, 2010) and 15.5% are obese (European Commission, 2010). Yet 90 million tonnes of food a year—the equivalent of about 179 kg per capita—goes to waste (Eurostat, 2010). This scenario simply replicates, on a regional scale, a world panorama in which, of a total population of 7 billion people, 925 million are undernourished (FAO, 2010), 1.5 billion adults are overweight (OMS, 2008) and 1.3 billion tons of food, the equivalent of about 1/3 of world production, are wasted every year (FAO, 2011). This situation is unacceptable and represents one of the most serious injustices perpetrated in the contemporary world. The European Union has to come up with a concrete response at Community level to the immorality of the model outlined above—and help do so at global level too. It is no longer tolerable that, in the name of agroindustrial profit and the socio-economic model it is part of, conditions of extreme inequality are being perpetuated and that the health of people and the environment seriously harmed.

Unemployment and the drop in jobs in the agriculture sector

Another worrying phenomenon determined, to some extent, by agricultural policies is the drop in employment in the agriculture sector. The drive towards higher and higher productivity, based solely on increases in productive factors other than human labour, has caused a swingeing decrease in employment. The 27-State European Union has lost 3.7 million jobs (a quarter of the active workforce) in the agriculture sector in the space of nine years (European Commission, 2010). In the period from 1975 to 2005, countries fundamental to European agriculture, such as Italy, France and Germany, saw the percentage of their workforce engaged in the sector drop annually by 2.3%, 2.8% and 3% respectively (European Commission, 2010). In France, the percentage of people employed in the sector has fallen from 30% to 3% over the last 50 years. In 2007, with Bulgaria and Romania’s admission to the EU, the active farming population numbered about 14 million, whereas today, just a few years on, it has fallen to 11 million.

One significant statistic is that of the size of firms, which are now tending to be larger with a high concentration of capital and land. Since 1980 they have grown by an average of 66%.

Finally, as a direct consequence of the liberalisation of the farming market and the race to lower production costs, production is being concentrated where costs are lowest. At present, 50% of the farming land used and 10% of EU production is concentrated in just three.
The inadequacy of farmers' income and price injustice

As implicitly agreed upon among European institutions and farmers, the drop in employment has not been matched by an increase in income for farmers and farm workers comparable to that recorded in other job sectors. Their income is, in general, lower than that earned in other sectors (European Commission, 2010). Insufficient income remains one of the decisive factors behind the disappearance of many agricultural products, especially in areas in which production costs are higher.

At present the income of producers is highly dependent on the direct payment system and market price no longer ensures fair pay for producers. With the opening up of markets, the benchmark price has become the world price, which fails to reflect the productive reality of the majority of European farmers. While producing in Europe entails high costs, prices are disconnected from costs and are too low to provide decent returns for producers. From 1995 to 2002, basic prices actually dropped by 1.1%. Furthermore, payments to producers fail to take into account the environmental services rendered by farming or by high food safety standards (European Parliament, 2004).

The fall in prices to producers has not matched by a drop in consumer prices, the latter rising by 11% over the same period of reference (1995-2002) (European Parliament, 2004). This difference is symptomatic of a more general imbalance in the food supply chain. The “opposite ends” of the chain, small producers and consumers are also the weakest links and do not possess the means to stand up to the power of the big production and distribution groups.

Lastly, the consequences of international price instability—a dramatic phenomenon over recent years—can be severe. Periods of high prices cause inflation, harming producers and consumers alike. Likewise, periods of low prices prevent producers from earning a high enough income to carry on their businesses, often causing them to go bankrupt and leave the countryside. Suffice it to think that, over the last few years, agricultural income has varied in some cases by as much as 30% (European Commission, 2010).

Market instability has been aggravated by the progressive elimination of measures designed to regulate the market and phenomena such as speculation on food markets. Volatile prices—which set off food riots in over 30 countries, especially in 2008—bars the most economically vulnerable populations and import-dependent countries from access to food.

The environment and climate question

The CAP and the agrifood production it determines are also factors that can have a strong influence on the environment and climate problems. The industrial agrifood model that has made Europe and large-scale producers rich over the last 50 years is, at the same time, a cause of the pollution, in part irreversible, of water, land and soil with consequent damage to public health, soil fertility, rural prosperity and so on. The paradigm of this agroindustrial model is the indiscriminate exploitation of natural resources, such as land, water sources, forests and seas. It was precisely thanks to these resources that growth was possible, but for a long time they were underestimated from an ethical and economic point of view. The tragically mistaken belief was that they were inexhaustible. Many also perceived them as res nullius, things belonging to nobody, the cost of appropriation and consequent use of which in production processes was basically zero. Today such resources are increasingly regarded as “common goods”, vital for life, which deserve special protection and to which everyone should have the right of access. Seeing the market’s inability to meet the need, the time has come for Community policies to take measures to ensure that these resources are preserved and maintained for future generations. Not that this rules out the need for a system of world governance of many of them and a coordinated global response to climate problems: inasmuch as most of these are intrinsically cross-border problems, any measures implemented by the European Union, albeit playing a vital role, will never be able to solve them all for all the actors involved.

The current state of some natural resources is a cause of great concern. First of all, it is now evident how pollution and, above all, the depletion of water sources—due to phenomena such as the alteration of the perennial glacier system, deforestation, indiscriminate consumption, the rise of water levels and the consequent reduction of sources of fresh water—will be a major factor of tension in the decades to come. Today the water shortage hits at least 11% of the European population and 17% of EU territory. 20% of surface water risks pollution, whereas
60% of European towns and cities overexploit underground sources (European Commission, 2010).

In this ambit, the CAP plays a vital role: an average 24% of the water used in Europe goes to agriculture: in the south of Europe, the percentage rises to an average of 60%, to 80% in certain areas (European Environmental Agency, 2009). It is thus self-evident why the CAP is the first policy that has to come up with an answer to the water crisis.

Another priority is the loss of land. Farming land is decreasing in quantity and quality due to unsustainable exploitation, climate change (an estimated 15% or so of land in the European Union is damaged by erosion), pollution, contamination and indiscriminate overbuilding. Fertile land is a good that develops over thousands of years. It is estimated that it takes over 500 to “produce” two centimetres of fertile soil. Erecting a building eliminates the fertile topsoil and deprives it of its productive capacity forever. The cost of soil loss in the EU has been quantified at about 38 billion euros a year (European Commission, 2010).

The soil is not only fundamental for agrifood production. Land in good condition reduces the risk of floods and protects deep water sources by neutralising or filtering any pollutants and “storing” up to 3,750 tons of water per hectare.

The soil can also play a major role, albeit often underestimated, in the fight against climate change. It can, in fact, store double the quantity of carbon of vegetables, capturing up to 20% or so of carbon dioxide emissions.

The problem of the loss of biodiversity and the deterioration of ecosystems deserves a special mention. Intensive agriculture and agroindustrial methods have contributed to this process through a massive use of pesticides, pollution, a drastic drop in the number of vegetable varieties cultivated and animal breeds raised and privatisation of seeds. It is estimated that 80% of food biodiversity has been lost, that a third of native pig, sheep and cattle breeds are extinct or on the verge of extinction and that, more generally, 150-200 living species are becoming extinct every 24 hours (UNEP).

Local vegetable varieties and animal breeds are the most suited to the soil and climate conditions of the area to which they have become acclimatized down the centuries thanks to human intervention, and it is in that area that they best express their potential. This is why they are particularly resistant and require fewer external interventions. They are thus more sustainable from the environmental and economic points of view. Today only 12 plant species and five animal breeds supply over 70% of the food we eat. Some statistics show that up to 80% of protected habitats in Europe are seriously threatened (European Commission, 2009). Further estimates quantify the annual loss of the capacity of ecosystems to supply services at 50 billion euros. Moreover, if effective countermeasures are not taken, by 2050 the loss of “terrestrial” biodiversity alone will cost the EU 7% of its GDP (European Commission, 2008).

Although not everyone is aware of the fact, agriculture and, in general, the food industry in the European Union are one of the decisive factors in climate change. In parallel, agriculture is one of the activities which climate change is going to influence the most: phenomena such as higher temperatures, drought, the shift of fertile zones towards the poles and flooding will all have serious repercussions on agricultural production. Agriculture (including livestock breeding, notoriously the cause of a high percentage of greenhouse gas emissions), food production and food marketing consume more fossil energy than any other industrial sector. The greenhouse effect and pollution are further aggravated by the thousands of kilometres travelled by food in productive, processing and distribution processes. In general, 9% of total greenhouse gas emissions in the entire European Union can be blamed on agriculture (European Environmental Agency, 2008).

The measures undertaken to contain Europe’s environmental slump have proved relatively ineffective. The “conditionality system” (see Appendix 1) helps to keep land in good agronomic and environmental condition only in part. Shortcomings are still many and serious: suffice it to consider the fuzziness with which most requisites are defined, the poverty and inadequacy of control and sanction systems and the lack of monitoring and assessment systems. Furthermore, many of the rural development programmes included in the second pillar still require the deployment of measures which, in practice, are harmful to biodiversity and fail to support an agroecological system.
Food and public health

More than half the adult population of the European Union is overweight and 15.5% of adults are obese. In countries such as the United Kingdom, Eire and Malta, the percentage stands at around 20%. Other statistics show that one child in seven in the EU is overweight or obese (Organisation for Economic Cooperation and Development: OECD). In the south of Europe (Malta, Greece, Portugal, Italy, Spain), the ratio is one child in five.

The growth rates of these percentages are a serious cause for concern: obesity is, in fact, a risk factor for numerous health problems, such as hypertension, diabetes, cardiovascular pathologies, respiratory problems and some forms of cancer, and the risk of death increases considerably once the overweight threshold has been crossed. The effects of malnutrition, obesity and overeating are not only serious from the public health point of view, but may also have severe repercussions on a country’s health budget. Suffice it to think that 7% of health spending in Europe is accountable to obesity-related pathologies (European Commission, 2006).

The factors that contribute to obesity are manifold, but among the main ones are overeating and unbalanced diets.

The relationship between people and food production, processing and consumption has been progressively lost. The simplification and standardisation of food production, processing and consumption methods—for the sake of greater “speed” and globalisation, seen as mere homologation—has progressively eroded food culture, which used to be a common heritage, and imposed “price” as the main criterion for making choices and, as a consequence, for organising one’s diet. On the one hand, this has signified the debasement of the role of food, which no longer represents an essential resource worthy of respect, since it can be consumed in excess (overeating) or, on the contrary, wasted without immediately visible consequences (42% of waste is recorded at domestic level, see section 2). On the other hand, it has caused consumers to opt for cheaper foods, often of poor quality. As Slow Food has been explaining for years, producing good, clean and fair food has its costs. A low price is often made possible by the use in the production process of industrial methods that allow production costs to be cut. These production methods are obviously typical of the large scale which, by further lowering costs, hence selling prices, benefits substantially from CAP economic support. Last of all, if we consider that food produced by agroindustry is easily available through large-scale retail channels, it is easy to see how the agrifood system itself is at the forefront in encouraging improper diets and the consumption of low quality food.

The lowest income brackets are evidently the most “exposed” to cheap, poor quality food. Another injustice within this framework, unmentioned so far, is that healthy quality food is implicitly seen as the “select” privilege of the higher income brackets. Food quality is, instead, an essential component of the right to food. Everybody, regardless of wealth, is entitled to healthy, nutritious, quality food.
Reform options*

In its communication of November 18 2010, “The CAP towards 2020: meeting the food, natural resources and territorial challenges of the future”, the European Commission outlined how the reform will be developed and three possible conclusions to the process.

What is the right direction for more competitive European agriculture?
The Commission explains that the long-term competitiveness of the agricultural sector depends on its capacity to win the challenge of climate change and the sustainable use of natural resources, as well as on increased productivity. To achieve this aim, agriculture across Europe has to continue to be innovative, to invest and to follow the evolution of the market.

The Commission’s communication pinpoints a number of priority issues in the reform process. First, it explains, it is necessary to review the system of direct payments, which have to supplement the ecological component of competitiveness and be distributed more equitably and more transparently. Within the context of rural development schemes, it is then necessary to multiply efforts for innovation and the fight against climate change. Finally, the Commission signals the need to work on the transparency of the food supply chain and examine the possibility of providing Member States with new tools to counter the excessive volatility of agricultural raw material prices.

The three major options (see Appendix 2)
Option 1: this option would introduce limited changes to the structure of the CAP. It would involve maintaining and consolidating the well-functioning components and making adjustments and improvements to the most controversial aspects, such as the issue of equity in the distribution of direct payments between Member States. This option, explains the Commission, would ensure stability and continuity with the current CAP, facilitating long-term planning for operators along the entire food supply chain.

Option 2: this option envisages major overhauls to some aspects of the policy in order to strengthen sustainability and improve the balance between the various strategic goals, farmers and Member States. This would be possible through more targeted measures, more understandable for European citizens. This option would require more efficient spending and more of a focus on the added value of the EU. Such an orientation would allow the Union to meet challenges in the economic, environmental and social fields and strengthen the contribution of agriculture and rural areas to the Europe 2020 strategy objectives of intelligent, sustainable and inclusive growth.

Option 3: this option envisages a more far-reaching reform of the CAP by focusing on environmental and climate change objectives and gradually abandoning income back-up and most market measures. The concentration of funding for environmental and climate change problems into the rural development policy would stimulate regional strategies to achieve EU objectives.

What next?
At the time of writing, all the subjects involved in this round of consultations (the Council of Europe, the European Parliament, the Committee of EU Regions, the Economic and Social Committee) had already made their opinion of the communication official. Bearing in mind the opinions expressed by the European institutions and impact studies for each of the above options, the Commission will draw up a set of legislative proposals for submission in autumn 2011. These proposals will be subject to the joint decision-making procedure first applied to a CAP reform following the entry into force of the Treaty of Lisbon. The reformed CAP will enter into force on January 1 2014.

* Source: European Commission, DG Agriculture and Rural-Development
Slow Food: its values, goals and experience

Slow Food has been involved for many years in the fields of agriculture and food production, distribution and consumption. It works according to a well-defined philosophy, firmly anchored to a set of values and goals which will be presented in this section in five macro-areas, followed by a presentation of some of the most significant projects realised in the last few years.

Slow Food hopes that these values and goals—which correspond to those of a society which considers diversity, sustainability, the conservation of natural resources and inclusive development as an added value—will lay the foundations for the next CAP.

a. Two guiding principles

Slow Food’s action is based on two fundamental principles:

The holistic approach
One of the cornerstones of the Slow Food philosophy is the need to adopt an holistic approach to agricultural production and the food world in general. Goals such as the protection of biodiversity and the environment, the fight against climate change, the development of local economies and small-scale production, but also of local knowledge, dialects and arts, should be interpreted as pieces in a single mosaic and not as separate, disconnected from one another. Each goal must be framed and achieved as part of an overall strategy that takes all the other elements into account simultaneously. Food becomes (or, rather, becomes once more) the fulcrum around which the systems of the local economy rotate. Here even connections that are not immediately perceivable—such as art, language and dialect—are an essential element of the structure.

Food sovereignty
Slow Food is inspired by the principle of food sovereignty. This concept, developed by the Via Campesina peasant movement, identifies the right of people, States and unions of States to define their own agricultural and food policies without bowing down to improper and destructive trade practices such as dumping. This principles comprises, among other things, the promotion of local agricultural production, access to natural resources, the fight against genetically modified organisms and the patentability of living organisms, agricultural prices linked to production costs, the right of States to protect themselves against cheap food imports, the recognition of the role of women, participation and the drawing up of agricultural policies.

b. Slow Food and agrifood production

The protection and development of small- and medium-scale agriculture, local economies and rural areas
Small- and medium-scale agriculture is one of the distinctive features of agrifood production in Europe. A local food production system has the advantage of supplementing healthy and nutritious food with social responsibility, of prioritising ecological systems, of bringing about the elimination or drastic reduction of chemical products and of helping to preserve traditional techniques and knowledge. Local food is fresher, protects local varieties and species (not to mention traditional production methods), travels fewer miles and requires less packaging. It also allows producers and consumers to have greater control over and more information about production and distribution systems.
Support for agricultural income
Producers’ income is a vital element in the agrifood system. It allows products to survive and gives people involved in the sector a decent livelihood. Without any chance of a decent income, producers leave the countryside for the city, tending to concentrate in geographical areas in which production is economically viable. Farming income currently depends largely on the direct payment system insofar as the market price is too low to cover high production costs and ensure an adequate profit at the same time. Slow Food pledges to help farmers make a profit for their work and be rewarded for the essential environmental services they render.

Protection of traditional seed varieties
Industrial agriculture is based on a small number of new varieties, often hybrids, owned by very few multinational corporations. 90% of the world corn and soya seed market, for example, is controlled by three multinationals. The development and diffusion of genetic selection devised to create hybrid commercial varieties has led to the phenomenon of seed privatisation. Historically, seeds have always been a common good for humanity: research and the development of techniques for seed selection and improvement used to be a common legacy. Born of the belief that nature is an element people can dispose of as they wish, the idea that it is possible to patent life forms is one of the heritages of modern industrial society. Besides being intrinsically perverse, the phenomenon is tilting the agrifood sector further in the big multinationals’ favour. Slow Food is against this logic and is committed to recovering traditional and local seeds in a bid to protect and reassert the right to exchange them and acknowledge the intellectual property of the peasant communities that have developed and conserved them.

Protecting local knowledge
Slow Food defends traditional knowledge, which is a source of wisdom and knowhow, the basis of technical and scientific learning. If it is suitably protected, it can become a vital element in local economic systems, signalling useful and precious values for the solution of ongoing problems. The global agrifood system forces people all over the world to comply with only one way of consuming and producing food. This is basically the result of an idea of the global market, of the control of nature, of the pursuit of efficiency, of scale production and consumption that shows no regard whatsoever for the social and environmental costs this involves. The idea is rooted in the belief that local agriculture has to serve the global market. Communities are running the risk of losing their traditions and their resources. Slow Food believes it is vital to acknowledge ethnodiversity and the values behind it so that it becomes an important, democratic cultural strategy for a rethink of consumption and food production practices.

Animal welfare
Intensive industrial breeding has given rise to numerous new pathologies. Stressed animals fall sick more than others. We find the medicines administered to heal them in meat, milk and eggs. Slow Food advocates breeding techniques respectful of animal welfare. More precisely, it advocates the raising of native breeds (hardier and better adapted to local areas) and encourages forms of breeding that avoid the excessive concentration of stock (overcrowding causes a number of problems, especially behavioural); it advocates animal feed based on quality OGM-free raw materials and, where possible, the practice of daily pasture (in a wild or semi-wild state); it calls for a limitation of the recourse to antibiotics exclusively in cases in which no other effective remedies are available and where treatment is essential to avoid animal; it demands a ban on the use of substances designed to stimulate growth or production; it encourages respect for the standards in force on the traceability or sourceability of milk and meat by-products.
Biodiversity protection

Biodiversity is the combination of the ecosystems and living beings—animals and vegetables—that populate our planet. Biodiversity is vital for the survival of the human race and the attainment of food security. It is one of the foundations of human existence to which it supplies an essential contribution through the production of goods (food, fibres, air, water and so on) and the starting of processes that balance and regulate ecosystems (pollination, the prevention of soil erosion, microclimate control, the cycle and transfer of nutrients). Biodiversity—and its ties with the characteristics of the local area—allows agriculture, its techniques, harvesting and processing methods, cooking and food consumption and convivial rites to develop and evolve. Biodiversity is closely connected with community identity.

The wealth and variety of biodiversity allow nature to survive by adapting to environmental change, climate change and disease. Without diversity, nature would be bound for extinction. Biodiversity is in a critical condition, seriously threatened by intensive farming. The development and spread of genetically modified organisms has further aggravated this situation. Slow Food has been involved with biodiversity for years, focusing its attention not only on wild species, but also on domestic species (the fruit of thousands of years of selection by peasant and pastoral communities) and the food diversity of processed products (developed to preserve food and the fruit of knowledge handed down from generation to generation). Artisan processing gives rise to special products that tell of local culture, releasing producers from seasonal cycles and market fluctuations. Local ecotypes and breeds can often only be protected if raw materials are flanked by a range of processed products.

Today, biodiversity in all its forms is seriously threatened by intensive and superspecialised agricultural systems, pollution, overbuilding and the workings of the global market. Down the millennia, about 10,000 species have been used for human nutrition and agriculture. But today 90% of human food comes from 120 species and only 12 plant species and five animal breeds provide more than 70% of all human food. It is estimated that, in the last century, three quarters of the genetic diversity of agricultural crops have disappeared. A third of native cattle, sheep and pig breeds are extinct or on the verge of extinction. This is also true of processed foods: bread, cured meats, cheese and so on. From the environmental, economic, social and cultural points of view, this is a colossal loss. Slow Food promotes the protection of domestic biodiversity, first and foremost through knowledge (the mapping of traditional products, native breeds and local vegetable varieties and ecotypes), subsequently through the support and promotion of the respective supply chains (cultivation, breeding, processing).

The environmental question and natural resource conservation

Europe is rich in natural resources—fertile soil, water sources, seas, forests—essential for agricultural production and the attainment of food security. However, the industrial agrifood model, widespread in modern Europe, has led to the indiscriminate exploitation of these resources in the belief that they are inexhaustible. This productive model is also responsible for high levels of pollution, largely on account of its use of chemical products such as fertilisers. The present situation is revealing the absurdity of this development model, showing how, far from being infinite and indefinitely renewable, natural resources are on the way to depletion. Slow Food firmly believes that the forthcoming CAP has to apply more common sense and parsimony to natural resource management.
The fight against climate change
Climate change is one of the toughest challenges for Europe and the rest of the world. If humanity fails to devise tools to tackle it, it will be impossible to avoid huge damage to the planet’s economies, danger to public health, the growth of poverty, the escalation of conflicts over access to natural resources (water, first and foremost) and environmental migration. The food system is one of the root causes of climate change. Agriculture and food production, transport and marketing consume more fossil energy than any other industrial sector; the greenhouse effect and pollution are exacerbated by the industrial agrifood system; intensive livestock breeding releases into the atmosphere huge quantities of pollutants, which have a devastating effect on climate change.

But not all agricultural systems have a negative effect on climate change. On the contrary, the abandonment of an industrial agrifood system and the practice of sustainable agriculture can play a very important role in fighting and preventing it. This type of agriculture depends less on fossil fuels, adopts techniques which make it possible to retain humidity and carbon dioxide in the soil, defends soil from erosion, slows down desertification and stands out for its better water resource management. This is the agriculture Slow Food advocates; thanks to the techniques it deploys, it renders an irreplaceable service in the fight against climate change.

The energy question
Agrifood production’s dependence on fossil sources (both directly and indirectly through the use of manmade chemical fertilisers) is one of the big problems behind pollution, climate change and price instability in the agricultural sector. The folly of a system that depends largely on fossil fuels has been further aggravated by the decision of many governments to incentivise industrial agrofuel production. To opt for these energy sources, regarded as “sustainable” even when they are applied on a large scale, has particularly negative fallouts in the agricultural sector, where they enter into direct competition with products bound for human consumption. If farmers stop producing food and confine themselves to growing corn intensively to fuel biogas plants, the “renewable energy” business would end up being a threat to the environment. Likewise, if photovoltaic panels are positioned directly on the ground and occupy large areas, they would end up stealing space from food production and desertify land until it became useless. Slow Food agrees that the energy necessary for agrifood production must be supplied largely by renewable resources, but it also believes this should be done by delocalising centres of electricity production, short energy supply chains and small-scale plants.

Protecting the landscape
The traditional rural landscape is one of Europe’s distinctive features, as well as being an essential component of the cultural identity of all the continent’s populations. However, under pressure from socio-economic processes, it is also extremely vulnerable. More specifically, urbanization and indiscriminate development are causing vast areas of the rural landscape to disappear. The traditional rural landscape is an economic, social and cultural heritage without equal. In view of agriculture’s role in shaping and maintaining it, protecting and preserving this landscape should be a priority of agricultural policy. Aware that conservation is decisive for sustainable development and innovation in society, Slow Food believes that the protection and improvement of the landscape should be important driving forces of development in rural areas.
d. The promotion of agricultural labour and young people

**Restoring value to agricultural labour**

Slow Food is opposed to the productive structure that the CAP favours today, in which labour in agrifood production is a value in decline: let us remember that the 27 member-European Union has lost 3.7 million full-time jobs—the equivalent of a quarter of the active workers in the farming sector—in the space of nine years. Slow Food is a firm believer in the capacity of the sector to become an important source of employment for the European Union today. It also believes that the international crisis, in which employment is shrinking, can find satisfactory solutions in this sector in particular. In parallel, Slow Food pledges to see that farmers are recognised the social role they deserve. In a food system that increasingly models itself on agroindustry, the farmer has been replaced by the “worker”; that is to say, by someone who performs only one part of the productive process without knowledge of the others. With agroindustry, the knowledge inherent to the job of being a farmer risks being completely lost, along with its dignity.

**Incentivising young enterpreneurs**

It is vital for food policies to bring young people back to the countryside. The present scenario is bleak. In the European Union only 7% of farmers are younger than 35 and one in three (a total of 4.5 million) is over than 65 (Eurostat, 2009). It is necessary to give back agriculture the dignity it deserves in society, thus making it a feasible and respectable life choice for the younger generations. It is absolutely vital to provide concrete responses to questions such as the difficulties young people find in having access to land and credit, drops in income and the unpredictability of the market. Without relevant structural interventions, there will be no common agricultural policy to talk about in the future.

e. The co-producer and a new approach to consumption

**Strengthening the producer-consumer relationship and the price question**

The present food system has snapped the link between producers and consumers. The lack of interaction between those who produce food and those who buy it provokes serious consequences, such as a decreased sense of mutual responsibility, the erosion of an important baggage of knowledge and the impossibility for consumers to access information. The way in which prices are fixed in the food supply system is a direct effect of this phenomenon; often price represents an unfair value for producers and an untransparent one for consumers. This injustice is an expression of an unbalanced system, in which the profits of the big processing companies and retail chains have exploded, hurting farmers as much as consumers. Food is now regarded as a consumer good just like any other, stripped of the spiritual, cultural and immaterial values that actually make it a “unique” asset of outright importance. In a food system increasingly influenced by mere market logics, the belief has made headway that food has got to cost little, regardless of its intrinsic value. “Food value” has been supplanted by “food price”. In a cultural model of this kind, in which the only benchmark criterion is product price, agroindustry, the only sector that can supply large quantities of cheap food, has asserted itself. Slow Food has been committed for years to reversing this logic through concrete projects designed to bring the two ends of the supply chain together to rebuild the relationship between producer and consumer, give food back the value it deserves and make price reflect that value and food’s intrinsic qualities once more.
A new consumer: the “co-producer”
Due to the weakening of the link between producer and consumer, the latter has been totally ejected from productive processes. But his buying power actually has the power to strongly influence supply and production methods. To exploit this possibility awarely, the consumer has to give up any passive attitudes and show an active interest in food and the people who produce it, the methods they use and the problems they address. By actively supporting producers, consumers can become an integral part of the productive process: Slow Food has coined the term “co-producer” to describe this new consumer model. By regaining awareness of their choices and forging a direct link with their food and the people who produce it, co-producers can recognise food’s value and pay for it appropriately. Slow Food is actively seeking to recreate a profitable link between producer and consumer, while promoting a more informed responsible attitude on either side.

Sustainable diet
Consumer choices have a huge impact on the entire agricultural and food system. For example, in western countries, the consumption of animal protein, encouraged by the low prices ensured by industrial livestock breeding, is excessive: it is estimated, in fact, that annual meat consumption per capita in the EU amounts to 89 kg. This means not only undeniable health problems, but also severe consequences from an environmental point of view and blatant injustice for populations whose income does not allow for a sufficient intake of animal protein and whose land is often exploited to produce feed or breed livestock bound for consumption in western countries. Consumers hold a lot of power: thanks to increased awareness of the value of their choices, they are in a position to redirect the market and production. Pursuing the example of meat consumption, to enable consumers to eat a lot cheaply, breeders fatten animals at lightning speed, thereby shortening and spoiling their lives and turning out a large amount of poor quality products. Cheap meat thus reaches the market and the cycle starts over again: the low price persuades people to stack up their trolleys and consume more of the stuff. Slow Food wants consumers to assume a more responsible, informed attitude, and to achieve that it promotes the diffusion of knowledge of the effects food choices have on health, the environment and the productive system.

The rediscovery of the pleasure of taste
The prevailing food model is standardised, supported by a system (of production, distribution and communication) that proposes the consumption of products disconnected from any cultural and geographical production context. The younger generations in particular risk losing not only a connection with the land and a sense of the seasons, but also the very pleasure of the act of eating. Through taste education the consumer learns to recognise and appreciate diversity and value of food by understanding its origin, production methods and the people involved. An informed consumer is in a position to connect the pleasure of food to responsibility in choosing it. For Slow Food “to educate” means creating debate around and providing direct knowledge of the world of food, supplying tools for healthy, aware food choices and stimulating more sustainable consumer behaviour.
The fight against waste
As mentioned above, about 90 million tonnes of food—179 kg per capita—are wasted in the European Union every year. 42% of wastage occurs domestically, 39% in the manufacturing sector (European Commission, 2010). Future projections suggest that, by 2020, the number of millions of tonnes of food wasted every year will rise to 126. The data cited paint an extremely worrying and paradoxical picture: faced with the folly of waste, the number of people who have no access to appropriate food is increasing. According to 2008 data, about 81 million people in the European Union (17 % of the population) were at risk of poverty and 42 million were living in conditions of extreme deprivation (Eurostat, 2010).

It is thus necessary to implement concrete measures to counter these trends. Slow Food is actively committed to promoting a new consumer attitude towards food—consumers being the main culprits for waste—and a fresh awareness that restores to food the value and importance it deserves. At the same time, the CAP can make an essential contribution to improving this situation by restructuring and rethinking the manufacturing and distribution sectors to fight waste.
Slow Food and its projects

Slow Food, an international eco-gastronomic association, came into being in 1989 to change the day-to-day relationship between people and food through the principles of good, clean and fair. “Good” refers to the pleasure deriving from the quality of a food’s flavour and aroma, as well as the complex feelings, memories and sense of identity it evokes. “Clean” refers to the promotion of products respectful of ecosystems and the environment. “Fair” refers to concern for proper returns for producers and equitable social relations in production ambits and the marketing system. www.slowfood.com

Terra Madre
A network set into motion by Slow Food in 2004, which brings together everyone keen to act to preserve, encourage and promote methods of sustainable farming, fishing, breeding and food production techniques in harmony with nature, the landscape and tradition. The first nodes in this network were the food communities, which were subsequently joined by chefs and cooks, representatives of the academic world, young people and musicians from 160 countries. The main event is a biennial meeting in Turin, Italy, which is backed by other regional and international get-togethers in which members of the network get to know each other, talk and find out about common problems: local experiences emerge as possible solutions to be replicated elsewhere. www.terramadre.org

Protection of biodiversity
To protect, promulgate and promote biodiversity, Slow Food’s non-profit Foundation for Biodiversity coordinates and organizes projects in support of small producers: Presidia, Earth Markets, the Ark of Taste and A Thousand Gardens in Africa. www.slowfoodfoundation.org

Presidia
The first Presidia came into being in 1999 and now number over 300 in Italy and more than 50 in the rest of the world. The Presidia involve the Food Communities and defend native livestock breeds, plant varieties and processed foodstuffs, such as bread, cheese, cured meats, wine and so on. The aim is to save high quality traditional artisan products by organising producers, raising the profile of areas of origin, preserving traditional techniques and knowledge and promoting sustainable production models from an environmental and social point of view.

Earth Markets
The aim of the project is to set up an international network of farmers’ markets that are also meeting places where consumers can find out more and meet producers. An Earth Market hosts only small-scale farmers and artisan producers who only sell their own products. Products are local, seasonal, made with sustainable techniques, respectful of the environment and sold at prices that pay producers fairly and are transparent for consumers. Slow Food provides technical assistance at every stage of the project.

Ark of Taste
Created in 1996, the Ark of Taste catalogues and selects products at risk of extinction all over the plane. The idea is to protect an outstanding cultural, social and economic treasure, made up of unwritten peasant and artisan testimonies, packed with age-old knowledge and techniques. Thanks to the research work of experts on 19 national commissions, to date it has collected 1,000 products in 60 countries.

A Thousand Gardens in Africa
The project was launched at the 2010 Terra Madre event in Turin. Thanks to international mobilisation, a thousand school, community and urban gardens will be set up in 27 African countries in 2011-2012. These will be no normal gardens; in them, local communities will prioritise traditional produce (vegetables, fruit, aromatic and medicinal herbs), use sustainable and draw on the knowledge of the elderly.
Food education and taste
For Slow Food, educating means promoting the pleasure of food among young people, adults and children, the rediscovery of conviviality, awareness of buying choices and respect for the seasons. It means promoting the diversity of flavours and places through courses, events, seminars, games, awareness-raising campaigns and publications. With the Master of Food courses for adults, school gardens and Taste Workshops during its events, Slow Food draws the general public to food and taste education by playing with the senses and giving rein to creativity. www.slowfood.com/education

Slow Food has also promoted the University of Gastronomic Sciences in Pollenzo, near Bra, Italy. Unique of its kind, the university aims to add academic dignity to food and eating as complex and multidisciplinary phenomena. www.unisg.it

Events
Staged for the eighth time in 2010, the Salone Internazionale del Gusto is a biennial market organised in Turin in collaboration with the Piedmont Regional Authority and the City of Turin. Open to the public, it gives space and exposure to quality food and wine from all over the world. At events within the event such as the Taste Workshops, Dinner Dates, World Cuisines, Dinner Dates, the Theatre of Taste and the Marketplace, visitors can live a total experience in what has been defined the "global village of food". Cheese is a major biennial event dedicated to quality cheese from all over the world. It was held for the ninth time in September 2011. It is organised in odd years (the Salone del Gusto being organised in even years) in Bra (Cuneo), the headquarters of the Slow Food movement. Cheese hosts a large open-air market in the town’s streets and squares, showcasing Slow Food dairy produce presidia and educational initiatives to teach people to appreciate milk in all its shapes and forms. Slow Fish is an international exhibition devoted to fish and sustainable fishing organised by Slow Food in Genoa. Contrary to what many people think, the sea is not an inexhaustible source of food. At Slow Fish, educational events, Taste Workshops, the marketplace and conferences address the problems of wetlands, freshwater habitats and the sea. The exhibition was held for the fifth time in 2011.
3. The CAP Tomorrow

a. Challenges to face and values to embrace

In the decades to come, Europe will have to face a number of epoch-making challenges. To make this possible, the European Union should adopt a strong CAP, one capable of ensuring sufficient food production and security in a productive context that protects the environment and natural resources and revitalises local economies.

The CAP is essential for Europe: left to their own devices, single States will not be able to provide appropriate and effective responses. Europe will be better fitted to meet the challenges of today and tomorrow only if it turns up united at the appointment with reform, and only if it develops a clear vision of its future agrifood production and the goods and values it wants to protect. Since a Common Agricultural Policy is vital and necessary, any proposals for the renationalisation of agricultural policies—which would only cast the EU into food insecurity and environmental decline—should be bluntly refused.

A basic premiss for the CAP of tomorrow to determine a strong policy capable of meeting future challenges is the maintaining of its budget. Any temptation to reduce it any more, after the drastic cuts of the last few decades, has to be fought with determination. Further cuts would diminish the CAP’s capacity to offer concrete support to the desired food production and economic development. The EU has to ensure sufficient resources to finance the agricultural policy of tomorrow.

Food security, the right to food and food sovereignty

One of the crucial challenges for agriculture in the future will be to ensure food security to all by feeding—with safe, healthy, nutritious food—a population that is growing in number all the time (the FAO estimates that by 2050 the world’s population will have reached 9 billion) in a context in which many of the basic resources for food production will be scarce. Statistics suggest that, with population growth and an unchanging consumption model, the global demand for agrifood products will have increased by 50% by 2030 and by 70% by 2050. The scenario outlined obviously refers to the European Union, where the present population of 500 million will grow to 526 million by 2040 (Eurostat, 2011).

The pledge to ensure adequate food production and food security does not mean increasing production levels. The ratio between food supply and demand should be seen in the light of the huge wastage we see all along the supply chain, data on overeating and the spread of improper, highly unbalanced diets. The need to ensure food security in the future implies, on the one hand, taking measures to make sure that food production is sufficient—today 90% of production is already bound for a domestic community market and huge amounts of food are imported—and, on the other, deploying serious policies to reduce waste and promote healthier eating regimes.

The European Union must therefore promote a new way of conceiving and addressing problems of food production, distribution, processing and consumption. Policy cannot respond by merely encouraging production as an end unto itself, but has to be structured into well-designed strategies that encompass cutting waste at every level, support for healthy, quality food production and the advocacy of a new food model based on diets that are healthier for human beings and more sustainable for the environment.

To ensure food security, the European Union has to fix a rate of food self-sufficiency, at least for strategic food products such as cereals, sugar, milk and animal protein. In the years to come, in fact, it is likelier that humanity will have to address the problem of the scarcity of these products. The Union has to be prepared to ensure food security in future decades by establishing a high percentage of domestic food production.
The European Union has to develop concrete, convincing answers to the serious problem of food access. As experts of world renown have made abundantly clear (see, inter alia, Eide, 1999), record levels of world hunger—it is reckoned that about a billion people are affected—cannot be blamed so much on a limited availability of food, as on poverty and profound imbalances in opportunities to access food. This is true, without a shadow of doubt, of the European Union, where the food supply for the 81 million people on the verge of poverty and the 42 million who live in conditions of severe deprivation is anything but a fait accompli. Food should not be considered just another commodity, but rather as a right for every individual. Institutional intervention should aim to achieve the three essential components of the right to food: availability, accessibility (in the dual meaning of economic and physical access) and appropriateness (in quantitative, qualitative and cultural terms). Protecting the right to food also presupposes that the European Union make a careful assessment of the effects of its own agrifood policies on non-member countries, especially the so-called developing countries. In setting itself these goals, the CAP has to make a simultaneous pledge to ensure food sovereignty. This concept does not signify the end of international trade, which will always be necessary to ensure world global food procurement, especially in areas of poor productivity. To ensure food sovereignty means focusing food policies on producers’, distributors’ and consumers’ needs, not on those of the market and the major multinational corporations: the food system has to restore food production, distribution and consumption to the local level, thereby fostering practices respectful of the environment.

In this context, insofar as it is one of the most influential subjects at international level, especially in the definition of trade agreements, the CAP plays a vital role not only in Europe but also worldwide. Suffice it to think that, with the United States, the European Union is the biggest exporter of agricultural products, as well as being the first net importer of food products—over 84 billion euros’ worth in 2010 (European Commission, 2011).

To achieve a CAP respectful of the right to food and the principle of food sovereignty in Europe and internationally, the European Union should manage trade flows, especially exports, in such a way as not to harm the markets of recipient countries. More specifically, the European Union has to put an end to the dumping of its products in other countries. In fact, though the recourse to export refunds has shrunken since the early 1990s—in 1991 the EU was spending about 10 billion euros on them, in 2008 926 million (European Commission, 2009)—the prices of most EU agricultural product exports still being lower than production costs. The prime recipients of below-cost European exports are developing countries, where the effects on markets and production are often disastrous.

Environment and climate change
Future food policies have to provide a clear, resolute response to the environmental problems caused by indiscriminate development since the 1950s and 1960s.

Food production can and must do a great deal to fight and restrict climate change, which has been affecting many territories for years. In this sense, the European Union has to put in place stringent limits on the emission of gases that are harmful for the atmosphere. At the same time, the goal of food production has to be the conservation and maintenance of natural resources, such as water, soil and biodiversity. As has already been broadly explained, for decades these resources were sacrificed on the altar of development and over-the-top productivism in the belief that they were unlimited. But now it is there for all to see that these resources are dying: the soil is being destroyed by chemicals, intensive production, concentrated building and uncontrolled development; dwindling aquifers are being polluted by everything agricultural production in particular has scattered in the soil (nitrates, phosphor, pharmaceuticals and so on); and biodiversity is losing parts every day that passes, either due to the massive use of chemicals or because modernity is imposing the production and commercialisation of only a few species.
The agricultural sector can play an important role in relaunching employment and the economy in the Community context. Despite its state of decline and the blows policies have dealt it over the last few decades, agriculture still has a central economic and social role to play in the European Union, where there are now about 13.7 million farms (70% of which with an area of fewer than five hectares) and around 17.5 million workers in the agrifood sector, a number equivalent to 7.7% of all employment (Eurostat, 2010). The ongoing challenge is to pull out all the potential of the sector in terms of the economy, the improvement of the living conditions of vast swathes of the population and employment. More specifically, from this viewpoint, one of the main goals of the new CAP should be to restore to labour in the agrifood sector the dignity policy no longer recognises to it by repopulating the countryside, especially with the younger generations.

This process will be essential in giving back vitality and prospects to rural areas. The process of abandonment of such areas can only cause the most severe environmental, social and economic consequences. Europe has to act to make its rural areas prosperous and promote a local economy based on sustainable agricultural production and the improvement of the landscape and land.

In this perspective, one priority ought to be a response to price instability, since severe price fluctuations over the last few years have had dramatic effects for producers and consumers all over the world.

b. A basic premiss: no more liberalism at all costs

In response to the above, the basic premiss for the new CAP is acknowledgment of the fact that the liberalisation of the agricultural market—which determined the most recent CAP reforms—has proved a failure. Agriculture possesses intrinsic peculiarities that make it unsuitable for regulation by the market alone. Public power requires a means to ensure a balance within the market itself, which is structurally incapable of achieving it on its own. The grave instability that has hit the markets over the last few years may eventually prove to be a serious threat to the attainment of food security: price volatility has meant that many farmers have had to shut down shop or cut their investment. The logic of liberalism at all costs, which led to European agriculture being structured as an agroindustry, is the root cause of the economic, social and environmental unsustainability that we are up against today.

This presupposes that the European Union has to correct the ongoing liberal process and be prepared to adopt measures to regulate it and adjust its structural faults.

c. A new paradigm: a Common Agricultural and Food Policy

In line with its values and aims, Slow Food hopes for a change in the CAP’s structure and direction. Its belief is that the forthcoming CAP cannot be geared solely to productive aspects. Today the CAP already goes beyond its own boundaries, concerning itself with questions to do with the environment, the land and the world of food in general. It is necessary, though, for European policies to formalize and structure their sphere of action more by expressing a more holistic vision and completing the transition from a solely agricultural policy to an agricultural and food policy.

This would mean empowering the new CAP to address some of the problems of food production and consumption directly. More specifically, in the fight against climate change and in order to strengthen rural economies, goals such as food security, food quality and protection of the traditional landscape, and using agrifood production to protect natural resources (including soil, aquifers, biodiversity) should come under the umbrella of the CAP.

In the same perspective, in order to address more effectively and efficiently cross-cutting problems such as energy policies, environmental and natural resource protection, the fight against climate change, the relaunching of employment, public health, the development of local economies, the development of infrastructure, cooperation for development and so on, it will be necessary to integrate the different community policies more. It would be unrealistic to expect to address all the issues like the ones listed successfully, since, by their very nature, cross-cutting problems are outside the ambit of agricultural and food policies.
For cross-cutting problems it is necessary to use cross-cutting tools such as tables de concertation, round which representatives of the different policies, such as agrifood production and rural development, public health, environmental protection and the fight against climate change, education, fishing and maritime affairs, employment and so on would sit.

This shift is of fundamental importance to solve many of the problems described in the preceding paragraphs. The current error is the idea that elements of the same process can be isolated and dealt with singly without focusing enough attention on connections with similar issues or other actors involved.

d. Two macro-objectives: sustainability and new rurality

The two macro-objectives Slow Food would like to see in the CAP of tomorrow are sustainability and the promotion of a new rurality. These objectives are closely interconnected and can only be achieved in a concerted manner. The PAC of the future can only be said to be sustainable if land development and conservation are seen as one of its core values and principal aims. At the same time, the development, conservation and prosperity of rural land can only be achieved using sustainability as a tool.

What we mean by sustainability: environmental, economic and social

According to Slow Food, the term “sustainability” should be taken in a broad sense with three connotations: environmental, economic and social.

By an economically sustainable CAP we mean a policy firmly anchored to; the development and strengthening of local economies; to agrifood production as a profitable economic activity for all communities, especially in rural areas, capable of growing intelligently, in harmony with local natural resources and using renewable energies.

A socially sustainable CAP is based on: the participation of communities in the drawing up and implementation of food policies; on the value of labour as a bond and an element of community development, not only economic; on the need to keep rural areas vibrant and prosperous, not only by promoting their development but also by conserving their environmental, natural, historical and cultural heritage.

What we mean by rurality

Slow Food is committed to making the future CAP focus its action on the development of rural areas. In rural areas are concentrated inestimable riches, in terms of natural resources and natural, cultural and historical heritage, as well as great potential for economic and social development. The future CAP has to set out from rural areas, promoting a new form of agrifood production capable at the same time of revitalising the local economy and social development under the banner of sustainability. Land and landscape protection and resource conservation will be the essence of this new vision of rurality: rural land is an asset that, in view of its uniqueness and unrepeatability, has to be strengthened, conserved and respected, leaving behind the logic of indiscriminate development. Rural land has to become a place where human activities meet nature in harmony once again.

e. Four fundamental changes

The attainment of the two macro-objectives of sustainability and new rurality presupposes the CAP’s structural adoption of four fundamental changes. All are closely interrelated and it would be unrealistic to think that one can take place without the other three also doing so simultaneously.

1. Promoting small- and medium-scale production

The dire straits in which agrifood production in the European Union finds itself is largely due to the choice made in the past to structure it according to the same rules as any other industrial sector. This was the mistake that is largely to blame for the environmental, climatic, economic and social crisis that are particularly worrying for the present and future of the entire European Union. If European agrifood production is to have a prosperous future from the environmental, social and economic points of view, the time has come to promote agriculture
as a sustainable source of quality food, based on the sustainable management of natural resources, recycling, the use of traditional knowledge and so on.

An essential step towards this hoped for trend reversal will thus be the restructuring and reshaping the whole CAP around small- and medium-scale production, promoting agriculture balanced with ecosystems and capable of producing quality food sustainably by joining innovation with traditional knowledge.

**Quality and sustainability**
The challenge of the future will not be to produce greater quantities of food but to produce it more efficiently and sustainably, prioritising quality products exclusively for human or animal consumption, with strong ties to the land and low environmental impact. All this can be ensured solely by sustainable small- and medium-scale production.

In this way it will be possible, first and foremost, to provide healthy, safe food appropriate to people’s nutritional needs. Secondly, the production of food tied to the land will help protect local biodiversity, landscape, culture and regional tradition. Third, the use of sustainable techniques, especially agroecological techniques, will help preserve natural resources and fight the effects of climate change. Small-scale products are also less subject to waste and the inefficient use of resources. Lastly, these products, made largely by small businesses rooted in their local areas, will help keep local economies alive.

**Labour in agriculture**
The small and medium scales require a greater availability of labour, hence provide a precious source of employment, especially in rural areas. This could make a decisive contribution to preserving the vibrancy of the local economy in rural areas and containing demographic pressure on urban areas. The revival of the European economy may also depend on the reappraisal of and increased employment in the agrifood sector.

**The simplification of the CAP**
In order to reshape the CAP round small- and medium-scale production, a simplification process will have to be launched to ensure sustainable small and medium producers fair access to public policies. Red-tape, for example, often hampers the access of small farms to the benefits and support provided for under the CAP.

**Actors at the service of the small and medium scales**
More generally, this transition process also requires that the whole system rotating round agrifood production—from credit access to the development of agricultural machinery, from academic research to the building of infrastructure—be scaled to the needs and peculiarities of sustainable small- and medium-scale production. To do this it will be necessary to reverse the trend established in recent decades whereby the onus was placed on large-scale agroindustrial production.

**2. Promoting local products**
The small scale will not suffice on its own. A decisive factor in ensuring a product’s sustainability is its link with the land. Local and traditional products (regional varieties, animal breeds, processed products) can be seen as the result of specific climate and soil conditions and achieve their full potential in the territory to which, thanks to human intervention, they have grown acclimatised in the course of time. For this reason, such products are more resistant than others and require less external intervention. They are thus more sustainable from both the environmental and the economic points of view. They will also play an important role in protecting biodiversity and raising the profile of community culture and food traditions. The CAP of the future must pledge to promote sustainable small- and medium-scale production.
3. Promoting local agrifood systems
The globalised market economy is revealing all its limitations in terms of wastage and environmental damage. The procurement, distribution and consumption process should prioritise the local dimension. The triple predication of “sustainability” and interest for rurality requires that: the food produced travels only a few “food miles”; a physical proximity exists between producer and consumer (co-producer); and the local economy benefits from the added value inherent to the “local” product. This generates extra value, with local products reflecting local traditions, culture and so on. This change may reduce the impact on the environment, make fresh, seasonal produce available and weave a new fabric of relations between the agricultural and urban worlds. To build local agrifood systems the role of education, not only in schools but also in businesses and points of sale, will be vital. It will also be crucial to build networks of exchange, knowledge and solidarity among farmers and town and city dwellers.

4. Promoting eco-friendly agrifood systems
Small- and medium-scale production is, in itself, a guarantee of sustainability. It too may adopt productive methods that are harmful for the environment, but only it can ensure the use of sustainable environmental practices and easily apply the principles of agroecology. Agroecology is based on the use of the traditional and modern techniques most suited to different soil and climate conditions, characterised by proper natural resource management, knowledge of local agriculture, the exclusion of genetically modified organisms, monocultures and intensive breeding, the reduction or abolition of synthetic chemical products, the protection of the agricultural landscape and social equity. As has been amply demonstrated by authoritative scientific studies (see Pretty, 2008), besides protecting natural resources and contributing to the fight against climate change, agroecology substantially raises crop yields, boosts the productive capacity of local communities, props up employment in rural areas and supplies food of high nutritional quality.

The challenge of the future CAP will not only be a question of reducing the size of agrifood businesses, placing the onus on small- and medium-scale production, but also of spreading a sustainable agrifood production model by supporting producers who really do deploy agroecological techniques, thus making a contribution to the community in the form of environmental services (the so-called “greening” of the CAP). In this way agrifood businesses will have a central, integrated role in the local area, and will be decisive in developing and enacting local development schemes. Thanks to increased formalisation of the supply process and rewards for environmental services, they will also fit into local areas harmoniously and become a fundamental component thereof. In parallel, the CAP has to reward people who live and work in marginal areas, such as high-altitude hills and mountains. The exodus from the mountains is, in fact, a cause of severe hydrogeological upheavals and entails high environmental, social and economic costs for the community. Anyone who decides to stay in these tough areas plays a vital role in stewarding the territory, provides an essential and irreplaceable service to the community and has to be supported accordingly.

Practically speaking, the “greening” of the CAP will demand, first of all, a tangible strengthening of the so-called second pillar and, consequently, an increased budget. Today in fact the percentage of the CAP budget allocated to the pillar is too low. At the same time, since the environmental sustainability of future agrifood production needs to be prioritised, “greening” has to intervene, first and foremost, in the first pillar. This will mean making the requisites of “conditionality” at the basis of the payments envisaged in the first pillar more stringent and detailed.

In conclusion, a mention has to be made of the need to make environmental sustainability the main goal of all Community policies. Since it has to address a climate and environmental crisis without precedent, the European Union has to draw inspiration from environmental sustainability in all its future actions and in every sector of its competence, making it a constant, implicit objective. Agrifood production certainly plays a major role in this sense. Nonetheless, any real, concrete response to environmental and climate problems can only be achieved by coordination and integration of all Community policies.
To achieve the aims described above and to enact the changes outlined, the CAP of the future requires appropriate economic tools.

The budget
Let us start by emphasising once again the need to confirm the CAP budget. Community institutions and Member States have to ensure the future CAP sufficient financial resources to place it in a position to meet the challenges that await it. It is thus vital for Member States to confirm the financial resources allocated to the CAP.

Furthermore, if the new CAP continues to be structured on two pillars, resources have to be drastically redistributed to boost the budget—hence potential to act—of the second, bolstering measures for the development of rural areas and the use of agroecological practices.

Support for “green” agriculture: public money for public goods
One of the economic tools at the CAP’s disposal, payments for sustainable agricultural production with a broad use of agroecological techniques, should play a leading role.

If they are used and structured according to certain criteria, the payments presently envisaged by the first pillar can become powerful driving forces of change in this direction. Their basic function—partly to justify the high price European citizens play for the CAP—will be to compensate farmers for the environmental services they perform for society that are not presently recognised. The approach to adopt is thus the one expressed in the slogan “public money for public goods”. The support model is in need of a drastic rethink: most available support should benefit producers who use practices that protect the environment and its resources and people who steward marginal areas such as mountains and high-altitude hills.

The use of agroecological methods and the protection of public environmental assets are goals that can be achieved most easily in the ambit of highly labour-intensive small- and medium-scale production. It follows that the system of support to agriculture in the forthcoming CAP should focus on this type of production and make it the foundation of agrifood production in Europe.

The tools included in the second pillar can obviously be of crucial help to the development of a sustainable agrifood system. But the resources allocated to funding these measures are still very limited: just over 5% of the CAP budget is allocated to agroevelopmental schemes, one of the principal initiatives under the second pillar. It is worth stressing once more that the CAP budget allocated to the second pillar has to be substantially increased.

More specifically, it will be necessary to prioritise investment in biodiversity conservation, the strengthening of agroevelopmental measures and the promotion of organic agriculture, in themselves a tool of natural and rural biodiversity conservation, of adaptation to climate change and sustainable water resource management. Lastly, it is expedient to stress how the transition towards sustainable agrifood production is bound to take a number of years. It is thus necessary for the future CAP to put in place tools designed to support farmers’ income during the transition phase and ad hoc funding to further facilitate the transition process.

In its Communication at the end of 2010, the European Commission showed concern for CAP-related environmental problems. On of the points it insisted upon most was the need to “green” the CAP. Slow Food welcomes the approach adopted by the European Commission to date. More specifically, the proposal to add a compulsory “green” component to payments under the first pillar is a positive new idea. “However, if the conditions are to be created to usher in significant change, this new form of payment has to play a leading role under the first pillar and, in parallel, any reference should be avoided to historical allocation criteria, which implicitly perpetuate support for those who used to produce in the largest quantities under the “old CAP”.
Support for agrifood producers’ income
The CAP of the future should not only provide funds to “green” agrifood production, but also make sure that all the production base it is focusing on—namely small- and medium-scale producers who use sustainable environmental practices—receives appropriate income support. As we have repeatedly stressed, the present structure of the CAP prevents many small- and medium-scale producers from receiving adequate income for their work. Greater support should also be guaranteed to producers in marginal areas.
In this regard, the CAP of tomorrow will have to counter the neoliberal formulation of the past. Adequate support to agrifood producers’ income will require more market regulation to contain price volatility. Efforts have to be made to make prices a tool from which producers can draw a decent income once more.
It is also imperative for the support granted to agrifood products to be of exclusive benefit to active producers. But to do this, we have to define precisely what we mean by “active producer”. The definition has to include aspects such as financial and juridical accountability for production and/or processing and/or individual distribution through agricultural and/or food cooperatives.

Alongside direct payments for single producers, it will be vital to promote local actions and forms of aggregation. To disseminate sustainable consumer and agronomic practices, it will also be vital to override individualism and foster the birth of producers’ and consumers’ networks.
Concrete proposals

1. Redistribute the CAP budget more fairly between the two pillars. In parallel, increase the Community funding quota provided for under the second pillar to ensure a better financial coverage of its schemes.

2. Draw funds from budgets allocated to other policies in view of the multifunctional nature of agriculture and the cross-cutting of numerous agrifood production problems.

3. “Green” direct payments under the first pillar. More specifically, adopt severer “conditionality” criteria for the granting of direct payments and improve the control and sanction system.

4. Limit direct payments under the first pillar to active agrifood producers alone.

5. Include a ceiling for the direct payments under the first pillar.

6. Allocate direct payments only to those who produce food for human and animal consumption.

7. Envisage greater support for sustainable small and medium producers in marginal areas.

8. Envisage strong incentives for those who intend to convert their farms into sustainable agrifood businesses.

9. Review the rules that regulate the supply chain to give small and medium producers more bargaining power.

10. Envisage more stringent environmental constrictions to protect land from excessive urban expansion.

11. Incentivise initiatives and programmes to transfer agricultural know-how and training on agroecological techniques, business management and the use of new technologies.

12. Envisage more effective infrastructural development plans in rural and deprived areas, ensuring Internet coverage in particular.
g. Slow Food’s experience at the service of the CAP of tomorrow

In the light of its experience, Slow Food intends to make a more specific contribution to CAP reform by proposing a set of concrete initiatives in contexts it believes to be central to Europe’s future:

1) the relationship between young people and agriculture; 2) support for eco-sustainable small- and medium-scale production by promoting a new food supply system and a new consumer model.
A veritable process of abandonment and "ageing" of the countryside is currently under way. The role and importance of agricultural labour are increasingly marginal and the presence of young people is dropping all the time. According to Eurostat estimates, only 7% of farmers are younger than 35 and one in three (a total of 4.5 million) are over 65. Concrete and effective measures thus have to be urgently adopted to stop this "rural haemorrhage" and allow young people to lead the process of repopulation both of rural areas and the agricultural sector in general.

Without clear action in this direction there will evidently be no CAP to discuss in the future: if the farming profession is not protected and encouraged, the risk is that it will become extinct in the future. Furthermore, the agrifood production of tomorrow cannot do without the energy and capacity for innovation and research typical of the younger generations.

It is young people, therefore, who should be the target of the new CAP. Each agricultural back-up tool has to be shaped with the specific needs of young producers in mind. The CAP must also envisage measures designed to support, incentivise and remunerate the labour of young people in the agrifood sector. The first step to bring young people back to the countryside is to facilitate the start-up of new farms and a generational turnover on existing ones. To this end, improved credit facilities and tax relief could effectively help young people to go into business in the agrifood sector. Just as urgent is the need to guarantee them a decent income allowing them fair pay for their labour and enough security to plan their family and business lives. In this regard, besides income support for producers in general, the CAP of the future should also include specific measures, such as additional direct payment, tax relief and so on, to bolster the income of young producers.

Of the many challenges that have t be met to promote the presence and activity of young people in the agrifood sector, one stands out in particular: namely the need to give back to agriculture and the farming profession western society has progressively denied them. The CAP should envisage measures to make agriculture a valid and serious life choice for young people again, a profession from which they can draw satisfaction (economic gratification included) and social recognition. The attainment of this goal will certainly depend on the "economic" measures outlined above. At the same time, however, it is necessary to facilitate a more cultural process leading to the renewal and improvement of the farmer’s social status. Albeit often denigrated, agriculture has always been one of the pillars of all societies. The CAP has to take the initiative and, using tools such as educational activities in schools, awareness raising campaigns and the like, trigger a partly cultural and social process leading to a renaissance for the farmer and the farming profession.
Concrete proposals

1. Give dignity back to farming work to make it a stimulating, gratifying life choice.

2. Ensure young people a decent income (for example, through direct supplementary payment of tax relief) so that they can have enough security to plan their future.

3. Promote the creation of networks of young people—farmers but also other actors in the food supply chain, such as food artisans, restaurateurs, educators and consumers—partly by creating spaces and opportunities and tools for connection (events, the Internet, social networks etc.) to avoid the isolation that often characterises farming work and discourages young people.

4. Promote the training of young farmers with secondary school and university courses, short courses, lecture courses by farmers themselves and knowledge and experience exchanges.

5. Promote knowledge transfer from generation to generation

6. Facilitate the setting up of new businesses by young people by simplifying or speeding up red-tape and envisaging incentives such as direct funding, tax relief, favourable insurance schemes etc.

7. Supply subsidised technical assistance for agroecological techniques, business management etc.
SUPPORT TO SUSTAINABLE SMALL AND MEDIUM-SCALE AGROECOLOGICAL PRODUCTION

Slow Food firmly believes in the need to restructure the European Union’s agrifood system round sustainable small-and medium-scale production.

Slow Food intends to make a contribution by suggesting concrete actions to support this type of production. More specifically, the actions suggested will be designed to support local economies. Running in parallel, as a matter of principle, the measures put forward will tend to attribute a central role to subjects in the food supply chain currently most penalised by the way in which it is designed (small producers and consumers) to give them more power. These actions will seek, on the one hand, to endow small and medium production with suitable tools to maintain and strengthen its business and, on the other, to allow consumers to have easier “access” to small- and medium-scale products, partly by improving the quality of product information. The concatenation of these measures would allow small- and medium-scale production to flourish in local economies with the complicity of more informed consumers conscious of the dynamics of the agrifood system. Within this framework, objectives such as social, economic and environmental sustainability and a new rurality will be tangible achievable.

Concrete proposals

1. Review the structure of denominations of origin, including rigorous criteria of sustainability, quality, links with the land, historicity and biodiversity protection. These tools must also adequately protect micro-productions, a unique asset for European culture.

2. Simplify the prerequisites for the starting up of new businesses and the red-tape necessary for their management in the service of sustainable small and medium production.

3. Reward producers who defend traditional and local biodiversity (native animal breeds and local plant varieties), who preserve the traditional agricultural landscape (old vineyards, secular olive groves etc.) and traditional architecture (water mills, mountain dairies, old wood ovens etc.), who work in marginal areas, thus performing an important stewardship role, who create forms of association by respecting shared production protocols.

4. Promote information and knowledge exchanges among small producers and the different generations.

5. Organise training programmes to optimise agronomic and processing techniques and strengthen the organisation of producers and their ability to present their products on the market (proper labelling, simple, clear and eco-sustainable packaging etc.).

6. Organise environmental and food education in schools, setting up school gardens by way of an example. Organise awareness-raising and citizen information programmes about the agrifood system, sustainability and food. Promote a constant exchange of information between producers and consumers.

7. Create market channels for small- and medium-scale products; promote farmers' markets, fair trade buying groups, the use of local products in public eating places and other direct selling initiatives. Back groups that engage to support forms of local agriculture directly.

8. Reward those who differentiate the supply by supplementing agricultural production with educational, cultural and tourist activities to promote knowledge of the environment, local areas and agriculture (the multifunctional role of farms).
Appendix 1 - What the CAP is

The Common Agricultural Policy (CAP) is made up of a set of rules and mechanisms that regulate most aspects of the production, exchange and processing of agricultural products inside the European Union (EU). Ever since the setting up of the European Economic Community, agriculture has been one of its main policies. Albeit less than in the past, the CAP is still the one that accounts for most of the total community budget (about 43%).

How the CAP is structured

Following decades of reform (see the following section), the CAP is now structured into two pillars.

The first pillar includes market back-up measures, such as direct payments to producers (on an annual basis), export refunds, support schemes and stockpiling. Every measure envisaged under the first pillar is completely funded by the European budget through the European Fund of Agricultural Orientation and Guarantee (FEOGA). The European Commission intended the first pillar of the next CAP to focus almost exclusively on direct payments, limiting market regulation measures to a role as “emergency tools”. It is important to stress that most of the CAP budget is spent on direct payments to producers (80%). Direct payments are divided into two categories. The first is the single payment scheme which defines decoupled payments: it is applied in the oldest Member States and paid out in quantities corresponding to the payments received in a given historical period; this type of payment accounts for 66% of the FEAGA budget. The second is the single area payment scheme, which is applied in new Member States and envisages uniform sums per hectare of farming land established by the Member State; it accounts for about 9% of the FEOGA budget.

Producers are not obliged to produce to receive the direct payments, provided they keep land in satisfactory agronomic and environmental conditions and respect other criteria of environmental protection, public health, plant health and animal welfare. This obligation is known as conditionality. If these conditions are not respected payments may be reduced or even suspended.

The measures contained in the second pillar (to which about 20% of the overall CAP budget is allocated) are designed to back the development of rural areas and the attainment of environmental objectives. They are co-funded by the Member States and the budget is managed by the European Agricultural Fund for Rural Development (EAFRD).

The second pillar is a flexible, long-term investment tool which is adjusted to local situations in each Member State. Of the measures adopted are payments to farmers who adopt extra agroecological practices in disadvantaged areas, invest in infrastructure and so on. The measures under the second pillar are grouped into three different theme axes and one methodological axis:

1. **Improving the competitiveness of the agricultural and forestry sectors.** This includes measures such as investment in agricultural production, support to the younger generations, early pension schemes, water management in agriculture, the creation of agricultural infrastructure and the recovery of productive potential.

2. **Improvement of the environment and countryside.** This includes agroenvironmental schemes (the only measure States are bound to activate), environmental protection and compensation for the most disadvantaged areas.

3. **Improvement of the quality of life in rural areas and diversification of the rural economy.** This includes measures such as the renewal or development of villages, the provision of essential services for the economy and rural populations, the diversification of agricultural activities and rural tourism.
4. The so-called “Leader approach” to rural development consists of local partnerships drawing up and implementing highly specific schemes to respond to particular local problems. This approach encourages the attainment of objectives focused on local needs by involving local actors.

The percentage of support producers receive from the second pillar in relation to that received from the first varies substantially from one State to another. Likewise, the redistribution of resources among the axes of the second pillar also varies. It is worth mentioning, however, that States are bound to allocate minimal percentages of the resources envisaged under the second pillar to the various axes. They have to allocate at least 10% to the first, 25% to the second and at least 10% to the third.

The ways things stand, the second pillar measures are complementary to the generic support provided to producers by the first.

The history of the CAP

Since it entered into force in 1962, the Common Agricultural Policy has been the European Union’s most important common policy. In this regard, it is worth remembering that for years about 70% of the entire community budget was allocated to the CAP. In the last two decades, this percentage has dropped drastically—bearing in mind that the Union has expanded to 27 States in the meantime—but it still exceeds 40%.

In a Europe still burdened by the hardships of the last world war, the CAP’s primary aim was to ensure enough food to meet the needs of all citizens and food security within Community boundaries. By the 1970s, food self-sufficiency had already been achieved thanks to a crossover system whereby an intervention price was set (the minimum guaranteed price by the European Union for buying up commodities), an import barrier created (first and foremost, import duties and quotas) and exports refunded (to set off the difference between European prices and lower prices on the world market). Running parallel to this, the CAP promoted European agriculture’s transition towards intensive, industrialised agriculture, firmly based on the use of fossil energy, fertilisers and so on, and designed to modernise the sector and lower production costs.

Without a control over productive flows, this system soon triggered an increase in production at a rate higher than the capacity of the European market to absorb it. This led to the constant production of large surpluses which were bought up with money from the Community budget and stockpiled or, exploiting export subsidies, exported on international markets (with negative impacts, especially on producers in poor countries). Incentives to industrial-type production also caused social and environmental problems, such as small producers progressively abandoning the countryside, pollution and overexploitation of natural resources.

In the course of its history, the CAP has undergone various reforms. The main ones date from 1992 and, to a lesser degree, 2003. After a set of interventions in the 1980s, aimed mainly at adopting measures to limit production (such as the introduction of quotas and set-aside), in 1992 the first major reform, the so-called MacSharry reform, was launched, the outcome of a process highly influenced by international trade agreements that had led at the time to the setting up of the World Trade Organisation (WTO). On that occasion the previous system, based on price intervention, export refunds and so on, was shelved and replaced by a system centred round direct payments to farmers. At the time these payments were “coupled”, that is to say directly proportional to areas of land cultivated or numbers of animals raised. The new reform gradually introduced decoupling in direct support of producers and payment lost its connection with types of production, amounts produced and the act of production in itself. This clearly liberal-inspired reform progressively aligned domestic and international prices to make European products more competitive on the market without recourse to export subsidies. As mentioned earlier, the reduction in prices was set off, albeit only in part, by the introduction of direct aid to producers. In the year subsequent to the reform, a progressive drop in the producer price (about 1.1% in the period 1995-2002), was not matched by an equal drop in the final consumer price, which actually increased by about 11% in the period 1995-2002.
Subsequent reforms in 1999, 2003 and 2008 failed to move away from the formulation introduced 1992. In 1999, Agenda 2000 introduced the so-called second pillar to flank the first, dedicated to the development of rural areas and the multifunctionality of agricultural activity, and included agroenvironmental schemes, support to marginal areas, early pension schemes and soon. Agenda 2000 also introduced the concept of “modulation”, that is to say the possibility for States to transfer a certain percentage of funds allocated to the first pillar to the second with a view to gradually phasing out the first. The Medium-Term Reform of 2003 imposed strong decoupling in direct support to producers. With the introduction of decoupling, most contributions to producers were no longer directly linked to quantities produced, areas cultivated or number of animals raised.

One of the main results of the reforms described is that now the income of the majority of farmers depends on payments received as opposed to agricultural prices since, as a result of the liberal innovations, many of them are unable to sustain the high production costs inside the EU and earn profits that repay them for their productive activity. This line was confirmed by the last reform, the so-called “Health Check”, in 2008, which further boosted decoupling in the direct payment system. The reform also increased the resources allocated to the second pillar.

One of the most pernicious effects of all the liberal reforms adopted since the 1990s has been the sharp increase in price volatility, a harmful phenomenon for farms since it may, on the one hand, cause inflation or, on the other, prevent farmers from earning a decent income for their work. Nor is this price instability countered by the payment system insofar as, in periods of swingeing price cuts, payments prove insufficient, whereas, in periods of high prices, they prove useless.
### Appendix 2 - Description of the three broad options proposed by the European Commission*

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<th>Direct payments</th>
<th>Market measures</th>
<th>Rural development</th>
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<td>Option 1</td>
<td>Introduce more equity in the distribution of direct payments between Member States (while leaving unchanged the current direct payment system)</td>
<td>Strengthen risk management tools. Streamline and simplify existing market instruments where appropriate</td>
<td>Maintain the Health Check orientation of increasing funding for meeting the challenges related to climate change, water, biodiversity and renewable energy, and innovation.</td>
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| Option 2      | Introduce more equity in the distribution of direct payments between Member States and a substantial change in their design. Direct payments would be composed of:  
  • a basic rate serving as income support,  
  • a compulsory additional aid for specific “greening” public goods through simple, generalized, annual and non-contractual agri-environmental actions based on the supplementary costs for carrying out these actions,  
  • an additional payment to compensate for specific natural constraints,  
  • and a voluntary coupled support component for specific sectors and regions,  
  Introduce a new scheme for small farms.  
  Introduce a capping of the basic rate, while also considering the contribution of large farms to rural employment. | Improve and simplify existing market instruments where appropriate | Adjust and complement existing instruments to be better aligned with EU priorities, with support focused on environment, climate change and/or restructuring and innovation, and to enhance regional/local initiatives.  
  Strengthen existing risk management tools and introduce an optional WTO green box compatible income stabilization tool to compensate for substantial income losses.  
  Some redistribution of funds between Member States based on objective criteria could be envisaged. |
| Option 3      | Phase-out direct payments in their current form  
  Provide instead limited payments for environmental public goods and additional specific natural constraints payments. | Abolish all market measures, with the potential exception of disturbance clauses that could be activated in times of severe crises. | The measures would be mainly focused on climate change and environment aspects. |

* Source: European Commission
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