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Dear Mr Eskil Erlandsson,

Letter to EU Ministers of Agriculture on Policy Coherence for Development in the of the Common Agricultural Policy

We, CONCORD, the European NGO confederation for Relief and Development, which represent 1,800 NGOs are writing to you to draw your attention to the potential impact of the future Common Agriculture Policy's (CAP)¹ on smallholder farming and food security in developing countries.

The CAP reform is a critical opportunity for the EU to take in earnest its international responsibility and move towards more sustainable agriculture. This, however, requires urgent shift in the EU's current models of production that takes account of the external impacts of European agriculture, and respect and support the global realisation of the Right to Food.

We recognise the efforts to reduce trade distortive support measures over the last two decades. Nevertheless, the present payment system keeps enabling to export commodities at price under the European cost of production. In addition, the current European farming system depends on unsustainable import patterns with have equally critical effects on small scale producers and food security in developing countries. The CAP must take account of its external impact and pursue sustainable agriculture to contribute to international responsibility and ensure that CAP policies do not undermine the livelihood of farmers and global food security.

We urge you to:

- **Insert a formal reference to Policy Coherence for Development in all new CAP legislative texts**

Ensuring coherence of all (external and internal) EU policies with development objectives has become an obligation under the Lisbon Treaty (article 208). PCD features in several European Parliament CAP resolutions; the Commission's CAP Communication of November 2010; as well as in the Commission's Impact. But in contradiction with these important commitments the PCD principle was not included in the present legislative proposals¹.

- **Ban export subsidies**

Export refunds – even if they constitute only a fraction of CAP payments today - can still have extremely harmful effects on local markets in developing countries. A long-term development-based approach is required to enable first and foremost developing countries and smallholders to increase and safeguard their own domestic production. Export refunds are trade distorting and by no means can be legitimised to respond to world hunger. Export refunds should therefore be phased out immediately.

¹ http://ec.europa.eu/agriculture/cap-post-2013/legal-proposals/index_en.htm

If export refunds are not phased out immediately, the Council must at the very least reconfirm its WTO commitment to phase out unilaterally and meanwhile refrain from using export refunds for vulnerable countries, e.g. Least Developed Countries and ACP countries².

- **Take measures to ease EU's dependence of unsustainable feedstuff imports**
The massive EU imports of protein for animal feed promotes an intensive agriculture production model in exporting countries leading to large-scale, monoculture production, deforestation and displacements of small scale farmers to marginal land. The production of leguminous crops in Europe should be further incentivized, through crop diversification and crop rotation systems.
- **Add an external dimension to the proposed CAP evaluation system to monitor the CAP impact on developing countries**
The CAP cannot be perceived as an internal EU matter but needs to be accountable on its external dimension and impact on is critical international agricultural trade flows which are critical. This is a prerequisite to comply with the obligation of Policy Coherence with Development objectives. An additional fourth monitoring objective needs to be inserted that focuses on the external impact on the realisation of the right to food, including food production capacity, income of smallholder farmers, access to land and water in developing countries.
- **Establish a formal complaint mechanism entitled to receive and process complaints lodged by individuals and groups in developing countries affected by harmful deployment of CAP measures**
Adequate mechanisms must be put in place to further investigate cases where incoherencies between the CAP and the EU's development objectives have been identified and ultimately ensure that these incoherencies are being corrected. Civil society organisations and small-scale farmers in third countries should have the right to a fair hearing when voicing their concerns and presenting cases of serious difficulties to their own governments and to EU representatives in their country.
- **Enhance global civil society cooperation on rural development**
There are great potential benefits in establishing collaboration between European smallholder farmers, non-governmental organisations in the development sector and famers' organizations as well as local authorities in developing countries. Further support for expenditure in third countries for local level transnational co-operation initiatives should be provided, notably under the LEADER programme.

We urge you to support a fair and sustainable CAP whose external impact contribute to, rather than jeopardize, food security and the livelihoods of small farmers in developing countries. Hence we hope that you will take our recommendations into consideration when defining Sweden's position in the Council discussions and decision.

Yours sincerely

Olivier Consolo
Director of CONCORD Europe

² The call is supported by European Farmer's organized in COPA-Cogeca, *Position on International Aspects of Agriculture 17/02/2012* p. 4 <http://www.copa-cogeca.be/Main.aspx?page=Papers&lang=en&id=836446>. As the regulation on fixing certain aid and refunds (COM(2011) 629 final) is a Council Regulation this could implemented by a Council decision.

ⁱ The last year's CAP reform debate have revealed a widespread democratic support o to include considerations for future CAP regime's impact on the world's poorest and most food insecure people¹. Regrettably, these crucial demands for food security in the poorest regions in the world have been largely ignored in the Commission legislative proposals of 12 Oct. 2011, which have dropped the Lisbon Treaty legislative provision of Policy Coherence for Development (PCD):

PCD in pre-legislative documents:

Summer 2010: Summary report official conclusions for EC public hearing on the future CAP, p. 8: *"The EU should avoid damaging the economies or food production capacities of developing countries."*http://ec.europa.eu/agriculture/cap-post-2013/debate/report/summary-report_en.pdf:

Nov. 2010, EC communication on the future of the CAP, 18 Nov. 2010, p. 4:

"it is essential that EU agriculture maintains its production capacity and improves itwhile respecting EU commitments in international trade and Policy Coherence for Development

June 2011, EP resolution of 23 June2011, on the future of the CAP, para. 63:

"Calls for the EU to ensure consistency between the CAP and its development and trade policies;in particular urges the EU to be attentive to the situation in developing countries and not jeopardize food production capacity and long term food security in these countries and the ability of those populations to feed themselves, while respecting the principle of Policy Coherence for Development (PCD); therefore EU trade agreements on agriculture should not hamper markets in the least developed countries"

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2011-0297&language=EN>

September 2011EP resolution of 27 September 2011 on an EU policy framework to assist developing countries in addressing food security challenges: para 60-61 (see also para. 6):

"Urges the adoption of a more global perspective in the design of the CAP post 2013 which should adhere to the principle of 'do no harm' to food markets in developing countries;...Calls on the Commission to carry out a CAP impact assessment that will analyse its external impact on international food markets and food security in developing countries"

<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2011-0410+0+DOC+XML+V0//EN&language=EN>

April 2011 EP DEVE 13 April 2011 opinion on the future, para. 1:

"calls for the new CA to include the principle of "do no harm to developing countries as a core objective, in line with Policy Coherence for Development objective, as prescribed in article 208 of the Treaty of Lisbon, and create appropriate mechanisms which ensure that the principle is upheld"

Lisbon Treaty, art 208 :

"The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries."