



CROATIAN PARLIAMENT

Agriculture Committee

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Zagreb, 14th November 2018

The Agriculture Committee of the Croatian Parliament, pursuant to Article 166 of the Standing Orders of the Croatian Parliament, at its session held on 14 November 2018 on the basis of a discussion on the Government's position on the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council, adopted the following

CONCLUSIONS

In view of a framework definition for ‘genuine farmer’, Agriculture Committee is of the opinion that it should be a non-binding definition for all Member States. The proposed Article 4 paragraph 1 item d reads: “*genuine farmers shall be defined in a way to ensure that no support is granted to those whose agricultural activity forms only an insignificant part of their overall economic activities or whose principal business activity is not agricultural, while not precluding from support pluri-active farmers. The definition shall allow determining which farmers are not considered genuine farmers, based on conditions such as income tests, labour inputs on the farm, company object and/or inclusion in registers.*” Agriculture Committee believes that agricultural holdings and their members, besides carrying out agricultural activities are guardians of rural areas, dealing with agriculture as a complementary activity, and even when it makes only a negligible part of the total economic activity, it gives them a possibility of providing additional financial resources and retains them in rural areas. For this reason, the Agriculture Committee considers it necessary to further clarify the proposed provision or to ensure the non-binding application of the definition.

In view of a definition for “young farmer” “the Agriculture Committee is of the opinion that limiting the definition to the holder of an agricultural economy alone will not encourage the retention of young farmers in agriculture. The Agriculture Committee respects the need to encourage young farmers, heads of agricultural holdings, but recalls the average age of heads of agricultural holdings in the European Union. Furthermore, we think that, taking into account the problems associated with the lack of agricultural workers present throughout the Union and affect permanent migration and result in an imbalance in the labour market of Member States, the definition of “young farmer” needs to be adapted.

In view of Specific Objectives proposed in Article 6 – Agriculture Committee is of the opinion that the Regulation should prescribe the objectives related to the processing of

agricultural products and foodstuffs and prescribe more clearly the objectives of forestry. This is explained by the previous Union's policies aimed at the diversification of agricultural production and the creation of value added through the finalization of production, realized and planned processing activities, and we believe that the objectives of agricultural and food processing should be included in the Article. Forests, as well as water, soil and air are a natural resource, so we believe that their sustainable development and effective management must be encouraged, thus explaining the need to prescribe clearer forest-related goals.

In view of the proposal for the Commission to be empowered to adopt delegated acts related to the Indicators proposed in Article 7, Agriculture Committee is of the opinion that this could also cause legal uncertainty for Member States, so it is necessary to prescribe other mechanisms for changing common indicators of achievement, results and impacts due to the experience gained or the introduction of new indicators.

In view of the proposed obligations of Member States relating to good agricultural and environmental condition in Article 12, Agriculture Committee is of the opinion that too much conditionality will affect the competitiveness of economies, but also create additional administrative burdens. Due to the structure of Croatian agricultural holdings, the Agriculture Committee is of the opinion that this conditionality should be voluntary for the Member States and that small farmers should be excluded from that. Respecting the need for environmental protection mechanisms Agriculture Committee also reminds of the depopulation of rural areas and considers that additional conditionality could encourage small farmers to cease farming activities.

In view of the proposed reduction of direct payments in Article 15, Agriculture Committee is of the opinion that this decision should be within the competence of Member States which would, based on national specifics and their Strategic Plans, decide on the possibilities of this restriction. The same is explained by the fact that agricultural holdings are mainly located in rural areas, and they provide employment opportunities, thus preventing the depopulation of these areas. Republic of Croatia as the youngest Member State has the shortest use of European funds, and accordingly, the structure of our farms has not reached the level of the older Member States, which we believe to be an additional explanation for not reducing the amount of direct payments.

In view of the propose Approval of the CAP Strategic Plan in Article 106, Agriculture Committee is of the opinion that it is necessary to foresee transitional periods for the beginning of the programming period and to prescribe clearly the conditions for approving strategic plans. The same explains the difficulties we encountered in the preparation of the Rural Development Program 2014-2020, taking into account the fact that they were all about the entire program period, not just one year. We also consider that this will be a huge administrative burden and, in particular, considering Article 95 of the proposed content of the strategic plan under the JPA, but also the proposed submission of an annual performance report for the implementation of the same in the previous year.

CHAIR OF THE COMMITTEE

Tomislav Panenić