



Brussels, 8 April 2005

To: the Ministers of Foreign Affairs, Finance and Agriculture of the EU Member States

**The rural development budget for 2007-2013 needs to be increased**

Dear Minister,

An alliance of European environmental, animal welfare, young farmers' and organic farmers' organisations is writing to you to express deep concern about the current discussions on the EU budget for the European Agriculture Fund for Rural Development (EAFRD), second pillar of the Common Agricultural Policy (CAP), for the period 2007-2013.

The Commission's proposal for the Financial Perspectives 2007-2013, the rural development budget for the EU-15 already represents a decrease [2].

Any further erosion of the contribution to the EU budget would make it impossible to deliver the Commission's proposals for rural development, including a range of new measures:

- Measures to protect Natura2000 sites [3]
- A set of new forestry measures that would make the second pillar effectively become a rural and forestry development pillar
- Measures to diversify economy in rural areas
- Measures in favour of animal welfare

Restricting the Rural Development budget would not only be an obstacle in encouraging the farmers to make more investments to increase competitiveness and sustainability, it would also jeopardise the introduction of these important new measures and undermine the entire CAP reform process as well as the EU's biodiversity protection goals [4].

History has shown that improving the environmental performance of European farming, halting the biodiversity decline by 2010, improving animal welfare and stimulating young farmers to enter sustainable farming will require more funding than is available now. To finance relevant new measures for these objectives, the EAFRD budget would need to be substantially increased. It is time that the EU and its Member States pay for the agreed common priorities, for the sake of responding to EU citizens' expectations for quality production, the protection of the environment and a living countryside with farmers taking care of our rural landscapes.

On behalf of the signatory organisations

Yours Sincerely,

John Hontelez, Secretary General of the EEB

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**Notes:**

- (1) Signing organisations are: BirdLife International, CEJA, EEB, Eurogroup for animal welfare, Friends of the Earth Europe, International Federation of Organic Agricultural Movements EU Group (IFOAM EU Group) and WWF EPO.
- (2) The Commission's proposal of the Financial Perspectives allocates the total of EUR 88.8 billion for EAFRD throughout the period 2007-2013 at constant prices. Additional EUR 7.0 billion would be channelled into EAFRD from the first pillar of CAP via the modulation mechanism. The percentage figures mentioned in the letter include the modulation funds.
- (3) The Commission estimates the annual costs of financing Natura2000 at EUR 6.1 billion. EAFRD is supposed to be one of the major sources of Community financing for Natura2000.
- (4) Throughout the last fifteen years of CAP reforms, the intention has been to strengthen the second pillar of CAP. Unlike the first pillar of CAP, the second pillar support is targeted to concrete measures and projects, closely linked to the EU's Lisbon and Gothenburg priorities: competitiveness of farming, creation of rural jobs and protection of the environment. Rural development policy is important for the countryside in Europe by supporting environmentally-friendly modes of agriculture, marketing and processing of local food, setting up of young farmers and land management in mountainous areas, thus contributing to the health and well-being of rural populations. Similarly, management of Natura2000 zones is crucial for the EU's agreed goal of halting biodiversity decline by 2010. Since 60% of the surface of Natura2000 is managed by farmers and foresters, the EAFRD has to play a key role for proper implementation of Natura2000.