



## TEN REASONS TO SAVE RURAL DEVELOPMENT (PILLAR TWO OF THE CAP) FROM CUTS

The Luxembourg Presidency is seeking to reach an agreement on the EU's financial perspective 2007-2013 at the European Council on 16 and 17 June. As the budget for Pillar I of the Common Agricultural Policy (direct payments and market aid) - one third of the EU's budget - is, in principle, fixed until 2013, other spending streams are at risk of being cut, including funds for Pillar II of CAP (rural development).

Indeed, the latest compromise proposals presented by the Presidency on 19 May suggest cutting the rural development budget by up to 22% of the budget proposed by the Commission (from EUR 88.75 billion to EUR 69.77 billion).

**BirdLife International, Friends of the Earth Europe, the European Environmental Bureau (EEB), WWF, International Federation of Organic Agriculture Movements (IFOAM) and the Eurogroup for Animal Welfare are calling on EU decision-makers not only to safeguard, but to increase rural development funds after 2006 by transferring funds from Pillar I to Pillar II. This is vital for the following ten reasons:**

- 1. Meeting Europe's commitments** -The rural development programme funds measures which deliver many of Europe's sustainable development commitments as outlined in the Lisbon and Gothenburg strategies, fulfilling Europe's obligations to its citizens and international agreements, and moving away from systems of agricultural support which damage our natural environment.
- 2. Delivering public benefits** - The rural development budget funds measures in the countryside which produce clear public benefits in terms of leisure opportunities, sustainable tourism, the protection of traditional landscapes, clean water by implementing the Water Framework Directive, improvement of wildlife and soils, increased quality of food through animal welfare-friendly forms of production and the protection of heritage sites.
- 3. Reforming the CAP** - The process of CAP reform must continue in the period 2007-2013. The scope of rural development programme will be extended in the next financing period to cover forestry, Natura 2000 and animal welfare measures. Furthermore enlargement with Bulgaria and Romania (and possibly Croatia) will require additional funds. It is vital that the budget is increased accordingly by transferring more funds from Pillar I to Pillar II.
- 4. Halting biodiversity loss by 2010** - Intensive agriculture encouraged by the CAP has led to significant declines in wildlife across the European Union over the last thirty years. The rural development programme helps to reverse these declines by funding agri-environmental and Natura 2000 measures that produce benefits for farmland wildlife. The newly introduced forest-environmental measures will play a vital role in promoting more sustainable forest management.

5. **Creating rural jobs and keeping the countryside alive** - Over 50 per cent of EU citizens live in rural areas, which account for 90 per cent of the EU's territory. Earnings in the countryside are lower and unemployment is higher than the European average. The rural development programme creates jobs, keeps people in the countryside and improves the quality of life in rural areas.
6. **Implementation of the European Action Plan on Organic Food and Farming** – In June 2004, the European Commission published an action plan to support the development of organic farming, acknowledging that it delivers public goods, such as benefits for the environment and rural development as well as improved animal welfare. This action plan, supported by all the EU Institutions, clearly states the requirement for member states to "make full use within their rural development programmes of the instruments available to support organic farming".
7. **Improving farm animal welfare** – EU citizens are becoming increasingly concerned about the way in which their food is produced, and in particular the way in which animals are treated during food production. The rural development regulation includes new measures specifically aimed at helping farmers to improve the welfare of their livestock by compensating for the cost of applying standards that are stricter than the legal minimum.
8. **Rewarding good stewards** – The rural development programme funds goods and services which usually cannot be paid for in any other way. Biodiversity, landscapes, water cycles, and soil protection cannot be sold by the farmer through normal market channels, but they can be purchased on behalf of society using the rural development programme, and so reward the land managers who generate the most for the citizens of Europe. The importance of this type of ecosystem services has recently been underlined by the results of the UN Millennium Ecosystem Assessment.
9. **A wide range of beneficiaries** - Rural development funds support activities that benefit the rural community as a whole, rather than the farming community alone. Rural development funds promote all components of sustainability: economic growth, social cohesion and environmental protection.
10. **Flexibility and targeted intervention** - Rural Development funds have the flexibility to address specific development needs, such as protecting and enhancing the status of specific species, addressing the lack of required skills for a given area and helping strengthen local competitiveness of small businesses.

*For further information, please contact:*

*Vikki Phillips, BirdLife International – [Victoria.Phillips@rspb.org.uk](mailto:Victoria.Phillips@rspb.org.uk) or 0044 7803 151132*

*Marco Schlueter, IFOAM - [marco.schlueter@ifoam-eu.org](mailto:marco.schlueter@ifoam-eu.org) or +32495520871*

*Véronique Schmit, Eurogroup for Animal Welfare - [V.Schmit@eurogroupanimalwelfare.org](mailto:V.Schmit@eurogroupanimalwelfare.org) or +32 2 740 08 20*

*Pieter de Pous, EEB - [pieter.depous@eeb.org](mailto:pieter.depous@eeb.org) or +32-497537264*

*Martin Konecny, Friends of the Earth Europe - [martin.konecny@foeeurope.org](mailto:martin.konecny@foeeurope.org) or + 32 2 542 01 80*

*Thomas Nielsen, WWF - [tnielsen@wwfepo.org](mailto:tnielsen@wwfepo.org) or +32-2-740-0922*