

Lyon 2006 - Background papers and conclusions

EIN Summer University and European Ideas Fair

21 - 23 September 2006

EIN POLICY ROUNDTABLE

Sustainable Farming and Food Safety

Background



The reform of the CAP has brought into sharp focus wider agricultural and rural challenges that face the European Union. Since 2002, the working group on Sustainable Farming and Food Safety has examined the need for major reforms in the farming sector. From the start, it warned that extending current levels of agricultural support across the enlarged EU would simply prove impossible. EU enlargement, fixed agricultural budgets and international trade negotiations at the WTO made change inevitable.

The working group took the view that Europe needs a dynamic agricultural industry that is both innovative and market-driven, whilst also sustainable in social, environmental and economic terms. In this process, continued decoupling of support from production ought to be a key aim of CAP reform - with the objective of creating a sustainable, market-led future strategy. More of agricultural support should be devolved to member states. Rural regeneration is not only an agricultural problem, but also an economic and social one. The EU needs a rural policy framework that is more flexible and regionally based.

Food production should be an integrated policy, from 'farm to fork' or 'plough to plate', along the whole length of the food chain and ending with the consumer. There needs to be a strong emphasis on food safety and quality, with pro-active responses to food crises so as to regain the trust of consumers. CAP reform should prioritise policies that promote local food, renewable energy, and rural firms. Sustainability ought to encompass the whole rural economy and be supported by environmental cross-compliance.

Another theme within the WG has been ensuring that the world's poorer countries should not be disadvantaged by subsidies and other trade-distorting practices in the agricultural sphere. The acceptance of greater free trade and market forces in the agricultural sphere is an important argument yet to be won, even if unilateral subsidy removal might not always be an option.

During the EIN Lisbon Summer University in 2005, the WG focussed on the specific issue of bio-fuels. Participants highlighted the role that bio-fuels can play in solving Europe's energy problems, whilst calling for proper analysis of the potential costs - including an assessment of any artificial distortion of the landscape by widespread bio-fuel/biomass cultivation. Wider biotechnology opportunities should be encouraged alongside more research and development aimed at building on existing EU strengths in this sphere.



In June 2006, the WG met with in Madrid to examine Europe's response to the problem of water scarcity. Participants called for a holistic approach and viewed subsidising water as unsustainable, since this promotes inefficient use. Common ownership of water rights also encourages waste given that there is neither a sense of clear responsibility nor an incentive to conserve a valuable commodity. Both domestic and commercial consumers of water need to be encouraged to use water more efficiently as supply patterns change.

Conclusions of Lyon discussion

At a time of public ambivalence to food production, but not the environment, the Policy Roundtable asked how do we encourage informed and balanced debate on issues such as food security and GMOs; how should agriculture safeguard its own vital resources, such as water, while ensuring a sustainable supply for all; how does EU rural and agricultural policy embrace social responsibility and a truly free trade market?

WTO and the Doha Round

- The Doha Round has not totally collapsed, but is suffering something of a slow death, and agriculture is a major stumbling-block.
- Twice as much food will be required within ten years, so EU policy should enable true global competitiveness in order to participate in all possible markets (internal and worldwide). EU direct aids create market can distortions, even within the EU, especially since decoupling and enlargement.
- Whether or not WTO talks will force all aids to go, the EU budget will continue to come under pressure, so a pro-active policy is urgently needed. Agricultural policy reform is now endemic, but we must push for stability and certainty and a careful review in 2008-09

Food safety, security and GMOs

- Food safety is a perfect opportunity for horizontal state legislation – although there exists good basic EU legislation, implementation is erratic and needs uniformity.
- Reconnecting consumers with local / regional concepts will help education, but we need clear labelling information including nutritional and production data.



- Multi-national food processors are taking a step change to become total 'well-being' companies, with personalised nutrition which will include emotional and social dimensions to food – they need farmers who empathise with this ethos to produce their raw products, if they are to create credibility.
- GMOs are not dangerous per se, but unrestricted market exploitation of them, or sloppy science, is.
- GMOs are an essential tool for innovation and survival of EU agriculture – there may be a case for developing EU specific GMO varieties (e.g. drought resistant crops), which would be used strictly within EU regulations and guidance.
- The EU cannot insist on free trade innovation, but then restrict the tools available for its creation.
- Biofuels can only really work long term and effectively if GMOs are allowed in their development.
- Emerging debate over land use for biofuels versus food production - existing increased use of rapeseed oil for food is in direct competition with biofuels.

Water resources – use and abuse

- Global demand for water will put unsustainable pressure on supplies by 2020. Common ownership of water rights results in a non-accountable, irresponsible use of water resources.
- Subsidising water resources is unsustainable – 80% of the true cost of water is borne by subsidy, and leads to disinterested use of the resource and an inefficient use of public funds.
- Encouraging efficient water use in both domestic and commercial spheres is the most beneficial short term measure – education is key, is encouraging innovation as well as accountability.
- Water has become political and will become more so. Demands for a right to water risk compromising long-term policy.

- If water market is liberalised, agricultural production will be redistributed according to market forces. Energy and water dimensions should be included in all agricultural policy.