



EUROPEAN COMMISSION
AGRICULTURE DIRECTORATE-GENERAL

Directorate G. Economic analyses and evaluation
G.1. Studies and overall approach

Brussels,
D(03)D/37540
G\FB\correspond\JMSR-JDVP

Dear Professor van der Ploeg,

Mr Fischler would like to thank you for your letter of 28 October 2003 and attached documentation and has asked me to reply on his behalf. In particular, we appreciate the support to the process of reforming the Common Agricultural Policy that you express on behalf of the Agriculture Group of the European Environmental Advisory Councils (EEAC).

While welcoming the move towards a more sustainable CAP, you express some concerns on the way in which Member States will implement the reform that has just been adopted. You raise three main issues: the need to monitor the impact of the CAP Reform on sustainable development goals, the importance of focussing modulated funds on environmental aims and the role to be played by indicators in the implementation of good agricultural and environmental condition.

The Commission is committed to reporting on the consequences of the single payment scheme options implemented by Member States. While the corresponding articles of the horizontal regulation¹ give special emphasis to market and structural developments this does not mean that social and environmental aspects will not be covered. Assessing these dimensions alongside the economic effects would be fully in line with the EU's strategy for sustainable development.

I am pleased to note that the European Environmental Advisory Councils will provide what I am sure will be invaluable guidance to national governments on developing indicators for good agricultural and environmental condition, as well as on the use of funds for environmental goals.

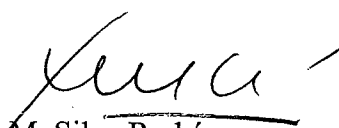
¹ Articles 60 (8) and 64 (3) of Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy, OJ L 270 of 21 October 2003.

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New possibilities have been introduced in favour of environmentally-friendly agriculture, for example by article 69 of the horizontal regulation, and existing measures have been reinforced. The rate of EU co-funding for agri-environmental measures has been increased and resources made available from modulation can be utilised in this respect. In my view, the impact of this increase in EU-funding needs to be specifically assessed, in terms of efficiency of agri-environmental measures. Modulation also provides additional EU support to help farmers meet other demands of society, such as increased food quality and animal welfare.

I fully share your hopes that rural development will be further strengthened post 2006. You rightly mention the role of the Salzburg Conference in this respect and I would like to take this opportunity of thanking you for your active participation in the Conference. As I was able to be present for part of the time, I personally appreciated your very constructive presentation and answers in the panel concerning local actors. Strong conclusions emerged from this panel about mainstreaming the Leader approach, while keeping a margin of manoeuvre for innovation. This point was included in the general conclusions of the Conference, along with views expressed in the other panels and in the exchanges that took place over the two-day period between stakeholders closely involved in rural development issues. I am confident that these conclusions will provide a solid basis for our work in further strengthening rural development policy.

Yours sincerely



J. M. Silva Rodríguez
Director General