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## Press Release

### **COPA-COGECA CRITICISES NEW EU COUNCIL PROPOSALS ON FUTURE EU BUDGET, WARNING UNACCEPTABLE**

Copa-Cogeca criticised today new proposals from the President of the Council on the future EU budget 2014-20, warning that they would cut EU farm spending to unacceptable levels, at a time when farmers are already being hard hit by high input costs which are often not covered by market prices. Food demand is also on the rise and these proposals risk threatening food security and 40 million jobs in rural areas.

Copa-Cogeca Secretary-General Pekka Pesonen warned that EU farmers and agri-cooperatives are already suffering from rising input costs, dwindling farm returns, costly regulations, and extreme market volatility. Agricultural incomes are half the average level and food demand is on the increase. They are also already being confronted with measures that would make them do a lot more for less money under the EU Commissions proposals on the future Common Agricultural Policy. Many EU and non-EU countries have also been hard hit this year by bad weather conditions, like drought and frost kill, and other natural disasters which has had a negative impact on crop production in these countries.

Under the new Multiannual Financial Framework (MFF) proposals tabled by President of European Council, Mr Herman Van Rompuy, there would be a further 6% cut in farm expenditure, on top of the EU Commission proposals which already cut the CAP budget significantly in real terms. Whilst countries like the US, China and Brazil are investing heavily in their agricultural sector to maintain competitiveness and feed a growing population. EU agricultural spending must therefore at least be kept at current levels until 2020, to ensure farmers and their cooperatives have a viable future. There must be no further weakening of CAP first pillar direct payments to farmers. This has also been called for by many EU Farm Ministers and MEPs. A rapid decision on the MFF as a whole is vital so that a strong CAP can be put in place early next year", Mr Pesonen stressed.

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