



EUROPEAN COMMISSION

## MEMO

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# The common agricultural policy (CAP) and agriculture in Europe – Frequently asked questions

## Farming in Europe – an overview

### How rural is the EU?

**Over 77% of the EU's territory** is classified as rural (47% is farm land and 30% forest) and is home to around **half its population** (farming communities and other residents).

### How many farmers are there in the EU?

12 million (full-time). Overall, agriculture and the agri-foods industry - which is heavily dependent on the agricultural sector for its supplies - account for 6% of the EU's GDP, comprise 15 million businesses and provide 46 million jobs.

### What types of farming are there in the EU?

A wide variety, including intensive, conventional and [organic](#) farming. This diversity has become even greater with the arrival of the new member countries of central and eastern Europe.

**Family farms**, often passed on from one generation to the next, are typical.

Europe has 12 million farmers and an average farm size of about 15 hectares (by way of comparison, the US has 2 million farmers and an average farm size of 180 hectares).

### Does the EU support a particular 'European model of agriculture'?

**Yes.** The EU's common agricultural policy is designed to support farming that ensures **food safety** (in a context of **climate change**) and promote **sustainable and balanced development across all Europe's rural areas**, including those where production conditions are difficult.

Such farming must thus fulfil **multiple functions**: meeting citizens' concerns about food (availability, price, variety, quality and safety), safeguarding the environment and allowing farmers to make a living.

At the same time, **rural communities** and landscapes must be preserved as a valuable part of Europe's heritage.

As of 2014, further to the political agreement of June 2013, [the common agricultural policy](#) will take greater account of the diversity of European agriculture.

## Where can I find statistics on EU agriculture?

In our [Statistics](#) section and on the [EUROSTAT](#) website.

## CAP – basic facts

### What is the CAP?

The common agricultural policy allows European farmers to meet the needs of 500 million Europeans. Its main objectives are to ensure a decent standard of living for farmers and to provide a stable and safe food supply at affordable prices for consumers.

The CAP has changed a lot since it was established in 1962, and continues to change today. The June 2013 reform is focused on three **priorities**:

- viable food production
- sustainable management of natural resources
- balanced development of rural areas throughout the EU.

### Who runs the CAP?

The [European Commission](#) collaborates with the full range of stakeholders (mainly through its many [advisory groups](#)) before drawing up proposals. On lawmaking, the Commission's proposals are decided on by the [Council of agriculture ministers](#) of the 27 EU countries, together with the [European Parliament](#).

The day-to-day running of the CAP is the responsibility of the member countries. The EU's [Court of Auditors](#) also plays a major role in supervising expenditure.

### How is the budget used?

The CAP's budget is spent in 3 different ways:

- **Income support for farmers and assistance for complying with sustainable agricultural practices:** farmers receive direct payments, provided they live up to strict standards relating to food safety, environmental protection and animal health and welfare. These payments are fully financed by the EU, and account for 70% of the CAP budget. Under the June 2013 reform, 30% of direct payments will be linked to European farmers' compliance with sustainable agricultural practices which are beneficial to soil quality, biodiversity and the environment generally, such as crop diversification, the maintenance of permanent grassland or the preservation of ecological areas on farms.
- **Market-support measures:** these come into play, for example, when adverse weather conditions destabilise markets. Such payments account for less than 10% of the CAP budget.
- **Rural development measures:** these are intended to help farmers modernise their farms and become more competitive, while protecting the environment, contributing to the diversification of farming and non-farming activities and the vitality of rural communities. These payments are part-financed by the member countries, generally extend over a number of years, and account for some 20% of the CAP's budget.

These three areas are closely interrelated and must be managed coherently. For example, direct payments provide farmers with a steady income and reward them for providing environmental benefits which are in the public interest. Likewise, rural development measures **make it easier to modernise farms while encouraging diversification of activities in rural areas.**

### **Who decides the size of the CAP budget?**

The budget is decided every year by the Council of the EU and the European Parliament. To keep long-term spending under control, they work within a multi-year 'financial framework'. The amounts earmarked for the CAP come under heading 2 of the multi-year framework (entitled 'Sustainable growth - natural resources'). Within this heading, the multi-year framework imposes a maximum ceiling for the 1st pillar of the CAP (direct payments and market-support measures). In addition, rural development measures coming under the 2nd pillar of the CAP are funded from the total amount allocated to heading 2. The [current financial framework](#) covers the period 2007-13, while the next one will be for 2014-20.

### **Are all farmers treated equally?**

Owing to the way in which the common agricultural policy has developed and to the use of 'historical references', the level of aid may vary considerably from one farm to another, from one member country to another or from one region to another. One of the main objectives of the CAP reform adopted in 2013 is to reduce the gap in levels of support between member countries, regions and farmers over the period 2014-20. The aim is to make the CAP fairer.

In the case of a member country or region which formed part of the EU before 2004, the current state of affairs is explained by the fact that, initially, the amount of aid obtained depended on the support which the farm received during the 2000-02 reference period, the area of land farmed and the aid model adopted by each member country. As a result, one farmer might receive aid of €50 per hectare while his neighbour might receive €1,000 per hectare for what is, in agronomic terms, an absolutely identical piece of land.

Since the 2003 CAP reform, these 'old' member countries have been able to redistribute this direct aid to farmers on an individual or regional basis or a combination of the two. The regional and hybrid models can be used to correct perceived unfairness. Of the 15 member countries concerned, only Germany has fully abandoned historical references.

In the case of those countries that have joined the EU since 2004, direct payments are based on a fixed amount per hectare which is the same for all farmers in the countries concerned.

Although the Commission has proposed several times since 1999 to set an upper limit on direct payments in order to make distribution of aid fairer, several member countries have rejected the proposal.

At EU level, an effort will be made towards achieving convergence in order to reduce the gap between the levels of direct aid received by member countries. As part of the decisions adopted in June 2013, the distribution of the CAP budget will ensure that no single Member State receives less than 75% of the Community average by 2019<sup>1</sup>. Within a given Member State or region, divergences in the levels of aid will be reduced from one holding to the next: aid per hectare may not be less than 60% of the average of the aid disbursed by 2019 in a single administrative or agronomic area. Member States will be able to increase support for small and medium-sized farms by allocating higher levels of aid for the 'first hectares' of a holding. For new Member States, the Simplified Area Payments Scheme (SAPS) – a single payment per hectare – may be extended until 2020.

### **Does the CAP encourage the modernisation of European agriculture?**

Yes. There are many incentives to encourage modernisation and help farmers improve their farms, process and sell their produce and produce higher-quality foods using more sustainable, environmentally-friendly farming methods. From 2014, the CAP will offer new measures to facilitate collective investment, help small farms to develop and encourage transfers of agronomic know-how between farmers through a European Innovation Partnership in the farming sector.

### **Is there fraud in the CAP?**

According to data from the [European Anti-Fraud Office \(OLAF\)](#), fraud accounted on average for 0.02% of the CAP's budget in 2006-10. In recent years, the EU has reinforced its budgetary controls.

### **Does anyone ever check if the CAP achieves its aims?**

Yes. The effectiveness of the CAP is closely [evaluated](#). Before making any legislative proposals, the Commission **always consults stakeholders** and citizens, and conducts **impact analyses**. It also regularly commissions **independent studies** on the performance of the CAP's various instruments and how they can be improved.

### **What's the point of direct payments?**

[Direct payments](#) help ensure that farming can be maintained throughout the EU by providing a steady income for farmers. In this way, they support the long-term viability of farms and cushion them against price fluctuations. Direct payments make up 30% of agricultural incomes on average at EU level. But in recent years, because of the crisis, direct payments have in some cases accounted for 60% of agricultural incomes; this was the case, for example, in Sweden, Ireland and Denmark during the 2008/09 crisis.

Direct payments also reward farmers for aspects of their work that are not taken into account by the markets but are nevertheless vital public benefits to all Europeans. The reform adopted in June 2013 plans to link 30% of the direct support paid to farmers to compliance with efficient agricultural practices aimed at preserving biodiversity, soil quality and the environment in general. These include crop diversification, the maintenance of permanent grassland and the preservation of ecological areas on farms.

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<sup>1</sup> That point is subject to approval in the framework of of MFF discussions.

Moreover, all direct aid is paid to farmers subject to the condition that they keep to strict standards relating to the environment, food safety, plant and animal health and animal welfare, and generally keep their land in good productive condition. This is called '[cross-compliance](#)'. If these rules are not complied with, payments may be suspended and the farmer might face penalties.

## **Agricultural markets in the EU – how they work**

While ensuring that farmers produce what the markets are demanding, the CAP also provides mechanisms - safety nets – to prevent an economic, health or weather-related crisis from destroying whole swathes of production. These mechanisms include buying in to **public intervention** (national intervention agencies withdraw surplus produce from the market) and **private storage aid** (to stabilise markets).

These tools have been **modernised** as part of the decisions adopted in June 2013. Crises are becoming more frequent and more serious than in the past, and a specific reserve has therefore been set up to cope with crises which go beyond the normal functioning of markets. An enhanced emergency mechanism has also been introduced. Support is also being given for the creation of mutual funds and insurance mechanisms to help farmers better anticipate and cope with crises.

Finally, new mechanisms have been established to encourage farmers to join forces within professional and inter-professional organisations. The Commission is also monitoring relations in the food production chain, and intends to encourage the different players to improve the transparency of prices and commercial practices.

## **Does the CAP help young people to become farmers?**

There are fewer and fewer farmers in Europe given the difficulty of the work involved and the scale of investment required to set up a farm. At present 4.5 million farmers in Europe (30%) are over 65, and only 6% are under 35. Farming must be made more attractive, and young people need to be given help in entering the sector.

The CAP offers setting-up aid mechanisms in order to achieve these goals and encourage generation renewal in farming. The 2013 reform introduces a new type of aid for young farmers: a bonus corresponding to 25% of the amount of direct payments payable to young farmers in their first five years of working in the sector.

## **Rural Development**

### **What is rural development?**

In the context of the CAP, [rural development](#) seeks to **safeguard the vitality of the countryside** by supporting programmes to invest, modernise and support activity – both agricultural and non-agricultural – in rural areas.

### **Who manages rural development?**

The EU countries choose measures suited to their specific needs and manage their programmes themselves. The EU pays part of the costs (co-financing).

## **How much does rural development cost? Where does the money come from?**

The CAP budget for 2014-20 for all 28 member countries totals €95 billion (current prices).

This money comes from the European Agricultural Fund for Rural Development (EAFRD).

## **How is the money used?**

From 2014, the EAFRD is being incorporated into the new common strategic framework together with the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion fund and the European Maritime and Fisheries Fund (EMFF) to achieve the objectives of the Europe 2020 strategy (sustainable, smart and inclusive growth).

Funds earmarked for rural development can be used for both agricultural and non-agricultural activities, based on six priorities:

- fostering knowledge transfer and innovation;
- enhancing competitiveness;
- promoting food chain organisation & risk management;
- restoring, preserving & enhancing ecosystems;
- promoting resource efficiency and transition to a low-carbon economy
- promoting social inclusion, poverty reduction and economic development in rural areas.

Individual countries or regions will also be able to draw up sub-programmes with higher support rates in order, for example, to address the needs of certain sectors facing specific situations, young farmers, small farmers, mountain areas and short supply chains.

## **Can rural development programmes be adapted to different regions?**

Each country draws up a **national rural development strategy**. Specific programmes may be devised and implemented at **regional level**.

## **What is the difference between rural development under the CAP and regional policy?**

The EU's regional policy is geared to helping the **poorest regions** in the EU, while the rural development programmes apply to **all rural areas** in all EU countries.

Rural development measures support not only farmers but also other players in the rural economy, such as forest owners, farm labourers, SMEs, local associations, etc.

## **What is 'Leader'?**

'Leader' is a programme to strengthen the rural economy by encouraging local people to take action at the local level (bottom-up), rather than imposing off-the-shelf action on them (top-down). Under today's rules, EU countries must spend at least 5% of their rural development budget on Leader projects.

## **Can rural development help protect the environment?**

Each rural development programme must include action to protect and improve the EU's natural resources and landscapes in rural areas.

Rural development money is given in exchange and as compensation for action that protects and preserves the EU countryside and helps fight climate change, including

- preserving water quality
- sustainable land management
- planting trees to prevent erosion and floods.

## **The CAP – what's the point?**

### **Why do we need a 'common' agricultural policy at EU level?**

Agriculture is a sector which is supported almost exclusively at European level, unlike most other sectors, which are governed by national policies. It is important to have a public policy for a sector that is responsible for ensuring our food safety and which plays a key role in the use of natural resources and the economic development of rural areas.

All the EU countries share these objectives, none of which can be attained without providing financial support to farming and rural areas.

Measures must therefore be taken at European level to ensure **fair conditions** with a **common set of objectives, principles and rules**. A collective EU policy also makes for better use of budgetary resources than would the coexistence of national policies.

Beyond managing the single EU market, other objectives that must be addressed at trans-national level include: cohesion across countries and regions, cross-border environmental problems, and global challenges such as climate change, water management, biodiversity, food and feed safety, animal health and welfare, plant health and public health as well as consumer interests.

### **Why do farmers need public money?**

Contrary to popular belief in some countries, farming is not a money-spinner – far from it. Farmers' investments in time and money are always at the mercy of economic, health and weather conditions beyond their control. Farming requires heavy investment, both human and financial, that bears fruit only months, or even years, later and remains constantly vulnerable.

Supporting farmers' incomes ensures that food continues to be produced throughout the EU and pays for the provision of **public benefits** which have no market value: environmental protection, animal welfare, safe, high-quality food, etc.

The 'public benefit' aspect is all the more important when one considers that the standards applicable in the European Union are among the strictest anywhere in the world. This means that food production is more expensive in Europe than in countries where standards are less stringent.

Without public support, Europe's farmers would be unable to compete with farmers elsewhere whilst still meeting the specific requirements of European consumers. Moreover, as climate change makes itself ever more felt, the cost of sustainable farming can only continue to rise.

## **The CAP – how much does it cost?**

### **How much does the CAP cost the taxpayer?**

The CAP costs each EU citizen around 30 eurocents a day. In 2011 it accounted for 43% of the EU's annual budget, or €58 billion. Its share has been falling continuously since 1984, when it stood at 72%, while the successive enlargements of the EU since 1992 have resulted in a doubling of the number of farmers.

CAP expenditure actually makes up **less than 1% of all public expenditure in all the EU's member countries**. Public expenditure on the farming sector in the EU has been pooled at European level, which is not the case for any other economic sector. By comparison, **EU countries spend three times more on defence**.

### **Why is nearly 40% of the EU budget given over to agriculture and not to other sectors?**

Agriculture is the **only sector entirely funded from the EU budget**, meaning that EU spending replaces national spending. Other areas, such as research, education, transport, defence, pensions and healthcare are either not included in the EU budget or take a much smaller share because they are paid for – fully or partially - out of national budgets and are implemented by the EU countries themselves.

In return, the CAP guarantees the European public a dependable and plentiful supply of high-quality food, as well as a healthy environment and exceptional landscapes.

### **How is the CAP funded?**

Money for the CAP comes from the EU's general budget. CAP spending on rural development is jointly financed by the EU and its member countries.

The EU budget is in turn mainly financed out of its 'own resources': customs duties, levies, VAT and resources based on member countries' gross national income (GNI).

### **Who receives the money and how much?**

Since 2009, in the interests of transparency and accountability, each EU country has had to publish a list of all [beneficiaries of CAP payments](#). However, following an appeal lodged by German farmers with the European Court, the obligation to publish all personal information on CAP beneficiaries was suspended in 2010 on grounds of violation of privacy. Specifically, the Court ordered that the names of beneficiaries no longer be published. The Commission remains committed to the principle of transparency, and has proposed new rules that take account of the Court's arguments. The June 2013 reform reintroduces the requirement to provide transparency while taking account of the principles of proportionality raised by the Court. In particular, small farmers - those receiving very limited amounts - will not be affected.



## **As a taxpayer who is not a farmer, can I benefit from the CAP?**

**You already do.** When the EU helps its farmers, society as a whole benefits. It is guaranteed a secure supply of affordable food. **The average EU household spends 15% of its budget on food – half as much as in 1960.**

By supporting sustainable farming practices through the CAP, we help protect our environment and our rich and diverse rural landscapes and food.

## **Reforming the CAP**

### **What did the previous reforms accomplish?**

The most substantial reforms to the CAP began in 1992 and intensified in 2003, when the link between subsidies and production was cut. This means that, in order to receive subsidies, farmers no longer have to produce food for which there is no market. Instead, they are now free to produce what the market and consumers want, look for profitable new markets and exploit new niches.

Farmers now receive income support, provided they look after their farmland and meet food-safety, environmental and animal welfare standards – failing which, their payments are reduced.

The new CAP takes greater account of the reality of an open world, and 90% of our direct payments are regarded by the WTO as non-trade-distorting.

The CAP gives consumers a wide choice of high quality food.

The Commission is continually modernising, streamlining and simplifying the CAP.

Now that payments to farmers are no longer linked to production, farmers can continue to enjoy some financial security while being freer to respond to market signals.

The CAP's market instruments (such as public intervention) have been adapted to function as a safety net without blocking normal market signals. The rural development policy helps farmers restructure their farms and care for the environment, helping rural areas to thrive.

### **How will the CAP shape up after 2013?**

The latest reform of the CAP was adopted in 2013 and will become effective as of 1 January 2014. All the various aspects of the reform will apply as of that date, **except** the new structure of direct payments, for which the annual cycle of direct payments needs to be taken into account given that farmers submit their annual CAP declarations in the spring. On the basis of those declarations, payments under the new structure of direct payments will be made in 2015 with, for example, green payments and additional support for young farmers.

This **latest reform affects all EU citizens.** In preparation for it, the Commission launched a consultation with the whole of civil society and the relevant stakeholders. The main aspects of the CAP reform adopted in June 2013 emerged from the broad public debate which took place in April-July 2010 (attracting almost 6 000 individual and collective contributions), followed by intense political debate with the Council of Ministers and the European Parliament. The European Commission then presented legislative proposals on 12 October 2011.

What will change after the new reform:

- **Direct payments** to farmers will better reflect the need to support farmers' incomes more fairly and make the most of the public service they perform (for example by protecting the environment). They also provide more support to regions where conditions are more difficult, and help young people to take up farming.
- The **market-management mechanisms** will be simpler, more effective and more agile.
- **Rural development** policy will focus on increasing competitiveness and promoting innovation.

New options will be introduced to help farmers cope with **price and income volatility**.

## **Food prices**

### **Why support farmers when food prices are high?**

Farm-gate prices make up only a relatively small part of the prices consumers pay for food. The cost of cereals accounts for only 5% of the price of a loaf of bread. The fact that consumer prices rise does not necessarily mean that farmer's incomes increase. This is particularly true given that farmers are also faced with an increase in their production costs. Increasingly, farmers are extremely vulnerable to ever more frequent and extreme market fluctuations and price volatility. In recent years, farms' energy bills have increased by 223% and the price of fertilisers by 163%. Agricultural prices have increased by 50% on average.

### **Are biofuels responsible for the increase in food prices?**

Various studies available suggest that the production of biofuels in the EU does not play a significant role in raising food prices. Only 1% of the EU's cereals go into the production of ethanol. Around 2/3 of our oilseed rape production goes into the production of biodiesel, but this accounts for only 2% of world demand. Nevertheless, we must invest in 2nd and 3rd generation biofuels.

## **CAP and the environment**

### **What is the impact of farming on the environment?**

Farming can help create and maintain a sustainable environment, but it can also put the environment at risk. The CAP has an important role to play in striking a balance, and that role will become crucial in the years to come.

## **How does the CAP help protect the environment?**

With the CAP reform adopted in June 2013, all Member States, all rural areas and all farmers will take simple, proven measures to promote sustainability and combat climate change. Between 2014 and 2020, over EUR 100 billion will be invested to help farming meet the challenges of soil and water quality, biodiversity and climate change:

- 'Greening' of 30% of direct payments will be linked to three environmentally-friendly farming practices: crop diversification, maintaining permanent grassland and conserving 5%, and later 7%, of areas of ecological interest as from 2018 or measures considered to have at least equivalent environmental benefits.
- At least 30% of the rural development programmes' budget will have to be allocated to agri-environmental measures, support for organic farming or projects associated with environmentally friendly investment or innovation measures.
- Agri-environmental measures will be stepped up to complement greening practices. These programmes will have to set and meet higher environmental protection targets (guarantee against double funding).

## **What is the EU doing to promote organic farming?**

Organic farming respects the natural life cycles of plants and animals. It is protected by stringent production requirements laid down in EU law. It also benefits from rules on labelling and traceability aimed at guaranteeing the quality and authenticity of organic produce, wherever it comes from in the world.

In this context, the EU has developed a special European logo for organic products that comply with EU organic production standards. Organic farmers and food producers must undergo a strict certification process before being entitled to use the logo.

EU countries can offer specific support in their rural development programmes to conventional farmers wishing to make the switch to organic farming. This option will be more widespread after 2013, with specific aid for organic farming and the possibility of receiving aid for both converting to and maintaining organic farming.

## **Does the CAP cover forestry?**

The CAP does not cover commercial forestry, but recognises the beneficial impact of well-managed woodland on natural landscape and **biodiversity**. It therefore supports farmers who wish to **reforest part of their farmland**.

## **CAP and trade**

### **Is Europe open to food imports?**

The EU has done much to open up its market in the last 20 years, and more than 2/3 of its imports of farm produce come from developing countries – more than the USA, Australia, Japan, Canada and New Zealand put together. Bilateral agreements with many countries allow for low tariffs on farm imports, and the 50 poorest countries in the world can export unlimited quantities to the EU duty free.

### **Should we erect new import barriers to protect our farmers and food?**

If we erect new barriers, so will our trading partners. Europe's competitive advantage lies in providing high-value processed foods. Markets in developing countries, including China and India, offer huge opportunities for expansion in that direction.

The best way to ensure security of food supply is to maintain healthy two-way trade. And the best way to protect our farmers is to free them to effectively compete on the world market by providing them with a steady income, which is exactly what the CAP seeks to do today.

### **The CAP and developing countries**

Twenty years ago, the EU spent €10bn a year on export subsidies; by 2011 this figure had fallen to about €160m. Export subsidies target countries in the Mediterranean basin and the rest of Europe. Only a very small proportion of subsidised goods find their way to Africa.

As of 2014, it has been agreed that the export-subsidy mechanism will be triggered only in exceptional circumstances.

### **Do developing countries really benefit from the EU's trade concessions?**

The EU has preferential tariff agreements with many developing countries. It provides more trade-related aid to developing countries than the rest of the world put together – almost €1 billion a year in the last 3 years.

The EU absorbs 71% of the farm exports of developing countries (worth around €59 billion in 2008-10) – more than the USA, Canada, Japan, New Zealand and Australia combined. EU imports from Africa alone amount to more than €12 billion (or 15% of all EU imports). About a third of exports from developing countries are destined for the EU.

### **What is the EU's approach to trade with developing countries?**

The EU is in favour of multilateral trade rules that benefit all, and especially developing countries. That is why it believes that developed countries should make deeper and faster cuts in tariffs than developing countries.

## **Food quality and safety**

### **Is our food safe?**

The EU has improved [food safety](#) significantly since the 1990s by introducing hygiene measures, rules on animal and plant health and checks on pesticide residues and additives in food, to give but a few examples. Food regulations in Europe are among the most stringent in the world.

### **How does the EU guarantee food quality?**

[Food quality](#) is guaranteed through labelling, marketing and quality rules, such as the [protection of geographical indications](#), mandatory nutritional information on labels, quality logos and animal welfare standards, etc.

Apart from hygiene rules which guarantee safe products, the EU has developed:

- **marketing standards** that products sold in the EU are required to meet;
- optional quality terms to indicate the quality of the product on the label;
- European systems of quality to identify products with a specific quality;
  - 'Protected Designation of Origin' (PDO) or 'Protected Geographical Indication' (PGI) for quality linked to geographical origin;
  - 'Traditional Speciality Guaranteed' (TSG);

- a special EU logo for organic products meeting strict production requirements;
- guidelines to optimise the performance of food quality certification systems guaranteeing compliance with certain product characteristics or processes.

## **Animal Health and Welfare**

### **How are animals treated?**

The aim of EU legislation on the [welfare of farm animals](#) is to recognise that animals are sentient and should not endure unnecessary suffering. The rules uphold the 'five freedoms' of animals:

- freedom from hunger or thirst;
- freedom from discomfort;
- freedom from pain, injury or disease;
- freedom to express normal behaviour;
- freedom from fear and distress.

The Commission's [Food and Veterinary Office](#) carries out inspections to ensure that the EU's animal welfare laws are correctly applied in the member countries.

The CAP also grants aid to farmers to improve animal welfare conditions on their farms beyond the minimum standards:

- all aid paid to farmers under the CAP is subject to compliance with minimum animal welfare standards. Farmers who fail to comply can lose all or part of their payments.
- farmers who invest in improving their stockfarming systems (for example animal-housing conditions), qualify for extra grants.

The highest standards of animal welfare are imposed on organic livestock production. This means that it is more expensive to produce food in Europe than in other countries which do not apply such strict standards. Without public support, European farmers would be hard pressed to survive in the long term in this globalised environment.

The concern for animal welfare goes beyond the EU's borders, and the EU considers that taking account of this issue is an aspect of added value in international trade.

### **How does the EU protect animal health?**

The EU's rules on animal diseases are binding on its member countries and have considerably improved over the years with the accumulation of experience and expertise.

[MEMO/13/621](#)

[IP/13/613](#)