

RESOLUTION
OF THE SEJM OF THE REPUBLIC OF POLAND

of 8 February 2018

**on negotiations concerning the operating principles of the Common
Agricultural Policy of the European Union after 2020**

The Sejm of the Republic of Poland is closely following the EU debate on the future of the Common Agricultural Policy (CAP) after 2020. As a contribution to this debate, the Sejm of the Republic of Poland expresses the conviction that preserving the common EU policy for agriculture and rural areas and its funding from the common budget will significantly impact effective achievement of the EU's public objectives regarding food production and the social, economic and environmental dimensions of agriculture and rural areas. This concept of European value added of EU policies has been very strongly stressed in discussions on the European forum, especially in discussions regarding the future multiannual budget of the European Union.

Therefore, the Sejm of the Republic of Poland calls upon the European Commission, the European Parliament and the Council of the European Union to ensure during the work on the Union's budget that the temporary difficulties faced by the European Union do not obscure the fundamental needs of its citizens fulfilled by the Common Agricultural Policy.

The Sejm of the Republic of Poland considers that ensuring strong and fully Community-based financing of this policy from the EU's budget is key to achieving the priorities set for the future Common Agricultural Policy. The budget of the European Union's Common Agricultural Policy should reflect the growing scale of current challenges faced by the European agriculture in their context of social expectations, environmental requirements set out in the EU's legislation, and the

economic pressure related to globalisation processes and to liberalisation of the EU's trade policy. The Sejm of the Republic of Poland considers that the changes of direct payments financing regime as proposed during the debate on European agriculture, consisting in introducing co-financing from national budgets, especially of voluntary nature, would pose a serious threat to equal competition conditions.

At the same time, the Sejm of the Republic of Poland demands that equal competition conditions be ensured on the single agri–food market. Achieving this goal requires departing from the historical distribution criteria for the direct payments envelope, in order to ultimately complete the process of levelling direct payments among Member States. Maintaining the still existing unfair system of direct payments infringes the principle of non-discrimination of citizens on grounds of nationality (Art. 18 of the Treaty on the Functioning of the European Union) and breaches the ban on discrimination between producers within the Union (Art. 40 clause 2 of the Treaty). The Sejm of the Republic of Poland already expressed its position on this matter on 25 April 2012 by adopting the resolution on supporting the Government of the Republic of Poland and calling on the European Parliament to take active measures towards simplifying the common agricultural policy, competitiveness and progress as well as introducing equal and non-discriminative principles of dividing funds for direct payments to farmers among European Union Member States (reference of the Polish Official Journal: M.P. 2012 poz. 295).

The Sejm of the Republic of Poland also recognises a need for an active policy to ensure stabilisation of agricultural markets, strengthening the bargaining power of agricultural producers and processors in the market chain and introducing more effective instruments of production risk and price risk management. Nowadays, the European Union's agriculture is increasingly dependent on changing prices of agricultural products, which depend upon the global market situation and climate change. This situation has an adverse effect on stability of farmer's incomes, hinders long-term planning of their activities and new investments as well as discourages young people from entering this sector.

The Sejm of the Republic of Poland believes that the Common Agricultural Policy should be more focused on supporting incomes of small and medium-sized family farms. Such farms constitute an important element of the European

agriculture model and they are a determining factor of socio-economic vitality of many rural areas, as they sustain jobs. They produce in an environmentally sustainable way and create added value, manufacturing food based on regional traditions, so important for preserving Europe's diversity.

The Sejm of the Republic of Poland stresses the importance of the rural development support policy within the Common Agricultural Policy (of the so-called Pillar II of the CAP). The Sejm believes that financing this element of the Common Agricultural Policy should be strengthened; the harmonious criteria of distributing funds from the EU budget for this pillar should be preserved because of the still divergent development levels in rural areas; and appropriate involvement of other EU policies, including the cohesion policy, in the development of rural areas should be ensured.

The Sejm of the Republic of Poland authorises the Marshal of the Sejm to submit the text of this resolution to the Presidents of the European Parliament, the Council of the European Union and the European Commission, and calls upon these European institutions to take into account the contribution included in this resolution during the work on the future of the Common Agricultural Policy after 2020.

This resolution will be published in the Official Journal of the Republic of Poland "Monitor Polski".

MARSHAL OF THE SEJM

/ — / Marek Kuchciński