The European Union (EU) believes that agriculture and rural development have an important role to play in meeting our Johannesburg Plan of Implementation (JPOI) commitments and in realising the internationally accepted Millennium Development Goals (MDGs).

Our JPOI commitments in the field of agriculture and rural development imply two major challenges:

- The objectives of poverty eradication, food security and sustainable natural resource management need to be seen as inter-linked and addressed in a coherent and integrated manner.

- Social, economic, cultural, health and environmental impacts must be taken into account throughout the lifecycle of agricultural and food production, including the sustainable use of fertilizers and pesticides. Basic standards of sustainable development in agricultural production are needed.

Internally, the EU is addressing these challenges:

Integration of environmental requirements into the Common Agricultural Policy (CAP) is achieved through incentive-based measures under rural development policies, general requirements of cross compliance and the promotion of organic farming. Measures are targeted at encouraging better soil and water management, preserving biodiversity and landscapes and tackling climate change. Proper attention is being paid to rural communities, the quality of rural life and new opportunities for rural people.

- Under the EU climate change policy agriculture and rural development shall be encouraged to reduce greenhouse gas emissions and initiate adaptation to climate change. Expanding the production of biomass and renewable energy sources can help to meet the EU greenhouse gas reduction targets under the Kyoto Protocol and can represent a new economic opportunity for rural regions. CAP measures promote the production and use of biomass. The EU is working to set minimum standards for the sustainable production of biofuels and emphasises the need for early assessment and monitoring of the social, economic and environmental consequences, especially as regards food security and biodiversity.

- The EU supports a strong food quality policy with the aim to encourage diverse agricultural production, to protect product names from misuse and imitation, and to raise the awareness of consumers and producers.

- Regarding market access and international trade, a subject matter which was discussed at length during yesterday’s panel discussion, it is important to reiterate that the EU actively supports
policies that will enable developing countries benefit from better access to international markets, whether at a multilateral or bilateral level. The 1992 reform initiated a significant shift in the Common Agricultural Policy: reduction in price support and introduction of direct payments. The latest step was achieved with the 2003 reform and the move towards decoupled income support. Once the latest reforms will be fully implemented almost 90% of support will be decoupled from production. The EU has already significantly decreased its trade distorting support and through its cross compliance scheme encourages farmers to meet EU standards on the environment, food safety, plant health, animal health and animal welfare. On market access, the EU already granted Duty Free Quota Free access to Least Developed Countries in 2001, and the same approach has been extended to African-Caribbean and Pacific countries last year in the case of Economic Partnership Agreements with very limited transition periods for sugar and rice. This provided unprecedented market access to these countries.

Thank you