

## 10<sup>th</sup> Anniversary of FFA

Distinguished Guests,

Dear Friends,

Ladies & Gentlemen,

As you are all aware, we've come together here today to celebrate a special milestone for FFA - its 10<sup>th</sup> Anniversary. And it's great to see you all coming together to mark this occasion.

One could say that 10 years isn't much of an age but you might be surprised by what we have achieved within this ostensibly short period of time.

Initially, during the first year, we were riddled with doubt whether we would be able to attract the interest of farmers, countrymen and women as well as rural entrepreneurs for our new and unusual format to communicate fresh ideas which drive sustainability in the food value chain and stimulate a sustainable and internationally competitive rural economy across Europe.

To our great surprise we were able to welcome more than 300 guests already in the first year – and we've been growing ever since. . Today we are proud to host a distinguished audience of almost 2000 participants and I am sure that FFA will continue to increase its appeal in the years to come.

My heartfelt congratulations to everybody who has contributed over the last decade to the great success story that the FFA became and a special thank you to the co-Initiators Corrado Pirzio Biroli and Thierry de l'Escaille as well as to Janez Potocnik and our wonderful managing team.

In Austria when you turn 10 years old you get confirmed in church which means you are blessed with the holy spirit – let`s see if the FFA will show any signs of that in the future.

Speaking of the Future:

I think we all can agree that we are witnessing the onset of a new era: digitalisation, urbanisation, migration, the effects of climate change and biodiversity loss, the internet of things, new forms of energy and mobility, genetic engineering, post-truth democracies and

fundamental changes in our societies will drastically transform the ways we go about our lives and business which will in turn have drastic impacts – positive and negative – on the agrofood sector and our rural communities.

We must pull up our boot strings and start preparing for this new world order, if we want to succeed and rake in potential benefits; and not sit around lamenting about the possible risks. To get ready, we need to leave the traditional ways of thinking behind us. We need to get out of our rut and take a look around. Let's break down the silos of our disciplines – be it the way how we produce science and innovation, be it our administrative organisations or be it the lack of upstream and downstream cooperation.

What we need is system thinking and yet again a new kind of engagement. Rural dwellers can only mitigate the risk of being left behind, if they are open to change and adapt the new tools of development to their fundamental needs. This includes also new forms of cooperation within the various production chains, new education and training programmes, improved extension services as well as new political and financial frameworks.

This brings me to the CAP:

It is time to open a new chapter for the CAP and reform it significantly to be prepared for the challenges ahead of us. To achieve this, a major reshuffling of the existing market and financial support systems is unavoidable. We must go far beyond tweaking things here and there and tinkering around the edges.

At least as a thought experiment we should design a new CAP based on clearer goals. These goals can't be the same as those enshrined in the Treaty because objectives such as sustainability, biodiversity, closing environmental biofeedback loops etc. aren't even mentioned in the agriculture chapter of the Treaty!

Hence the Commission stipulated three longterm policy objectives and three reform goals in 2013:

The policy objectives are:

1. Viable food production,
2. Sustainable management of natural resources and climate action and
3. Balanced territorial development.

These objectives were translated into 3 reform goals:

1. Enhanced competitiveness,
2. Improved sustainability and
3. Greater effectiveness

I think they are still viable but need to be translated into a set of more specific and forward looking outcomes.

For example, achieving the first objective of making the food production sector more profitable calls for a close look at the entire food chain to improve competition, deal with price volatility, reduce market turbulences and help those farmers who are facing natural setbacks.

For the second objective, sustainability and climate measures, the right mix between obligatory and voluntary measures with viable accountability and compliance mechanisms must be found.

To meet the third objective of balanced territorial development, we must go beyond agriculture and introduce a coherent and comprehensive system of rural development, including rural infrastructure and rural businesses, diversification and steering the endogenous forces of a given rural region.

In addition to reforming the content of the CAP, a close look at the adherence to the subsidiarity principle, the reduction of the bureaucratic burden and more efficient and less burdensome control and inspection regimes must become another priority.

Finally innovation is one of the most powerful drivers in the agrofood sector but needs to be amplified all the way down the innovation chain.

In my view the CAP 2020 should consist of 4 chapters:

- 1.) Market and risk management
- 2.) Land and resource management
- 3.) Horizontal rural development and
- 4.) Policy services

**Ad 1 Market and Risk management** – this can be broken down into:

- Implementation of the results of the Veerman Group (market transparency, risk management, management of futures and derivatives, trade usages, competition rules)
- Quality programmes and protection of origin
- Horizontal and vertical cooperation within the food chains

**Ad 2 Land – and Resourcemanagement** – this would include:

- Fixing regional objectives and tool boxes for sustainable land management and the maintenance of naturally handicapped land
- Introducing a mix of obligatory and voluntary measures
- Making EU-payments conditional to achieve significant improvements
- Using PPP concepts for contracts between farmers and the administration

**Ad 3 Rural Development** – needs to take into account:

- Making rural development a truly horizontal policy covering rural regions in their totality (infrastructure, services, jobs, social security, etc.)
- Categorising the rural regions and differentiate the policy instruments depending on the different needs
- Giving local responsibility more space (following the LEADER example)

**Ad 4 Policy Services** – should be comprised of

- Investing in Agricultural and Food R&D
- Improving Agricultural education, training and extension service
- Enhancing more efficient and less burdensome control and sanction measures
- Advancing of de minimis and state aid rules

I really think we shouldn't miss this boat – we need to get on board now!

Let's stop wasting opportunities and start living up to the motto of this years FFA:

**IT`S TIME FOR SOLUTIONS!**

F. Fischler