

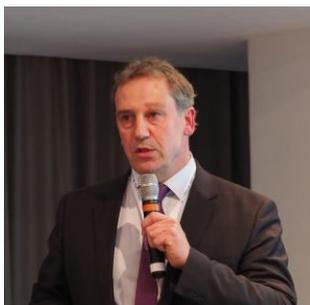
# INTERNATIONAL DAIRY magazine



## CAP post 2020

### EDA Congress in Nice discussed how a new CAP for 2020 and after should be like

The second Economic Breakout Session organized at the annual congress of European Dairy Association (EDA) on 1 December in Nice, France, took a deep look onto the Common Agricultural Policy of the EU for 2020 and after.



Prof. Holger Thiele, economist at the University of Applied Sciences in Kiel, Germany, described the future challenges for the EU dairy sector. He told the conference that international competitiveness, climate change and animal welfare will be the main influencing factors for dairying in the near future, hence also for CAP. Thiele demanded a long-term strategy for a new CAP coupled with specific regional policies. Policy should in his view support especially dairy farmers in gathering know-how in risk management. The MMO should also develop more, faster and better conditioned data, Thiele said.

While it is foreseeable that the CAP will become greener and more fair (meaning that smaller farms might get more payments in comparison to today), there is a danger that Direct Payments, still the first pillar of the EU's CAP, might simply develop into a social support program.

### **The Sodiaal point-of-view**



Frédéric Chausson, GD of Sodiaal, shared his views on how a new CAP should be like with the auditorium. In his presentation, Chausson very much focused on market volatility. The industry, he said, should stay self-managed as policy may only give answers to extreme risks of the market (namely guarantee of a minimum payment to farmers by intervention). Normal risks can be managed by private tools or national policies. A better coordination of private and public initiatives for risk management should in the end deliver a global volatility management package for farmers, the top

manager said. Chausson added that a new CAP must also bring simplification, protection of standards and fair FTAs. The auditorium later on in the discussion agreed with Chausson that no government has the means to guarantee a certain income for dairy farmers.