

## WARM UP

**1 Why does the EU have common policies? In what areas does it have these policies? Read the introduction to check.**

## EU COMMON POLICIES

EU common policies concern all EU Member States and indicate the action and strategy which the EU follows in certain sectors and areas in order to reach its objectives. Having a common policy for areas such as industry, agriculture, environment, transport and finance amongst all Member States means that the combined effort of all the members working together makes it possible to obtain better results.

# Reform of EU Farm Policy

The European Union is negotiating a major reform of its Common Agricultural Policy. The programme is the most expensive scheme in the EU – accounting for more than 40% of its annual budget – and one of the most controversial. In June 2013 ministers reached a deal with Euro MPs and the European Commission, though the reform package has not yet been agreed in full.

The CAP began operating in 1962, with the Community intervening to buy farm output when the market price fell below an agreed target level. (1)  But it soon led to overproduction, and the creation of ‘mountains’ and ‘lakes’ of surplus food and drink. The Community also taxed imports and, from the 1970s, subsidised agricultural exports. (2)

(3)  For example, a reform of the EU sugar regime was adopted in 2006, and milk quotas, which help protect dairy farmers’ income, are going to be phased out by 2015. The Commission has now proposed ending sugar production quotas completely as they disadvantage competing farmers in poor countries and pay huge amounts to giant European agri-businesses. Another proposal was a

limit of 300,000 euros as the total subsidy a large farm could receive in order to stop large payments going to aristocratic landowners and wealthy agri-businesses. (4)  In addition, the proposal includes a review of the current system where landowners like airports and sports clubs, which do not actually farm, have been getting subsidies based on their eligible land areas.

One of the biggest criticisms of the CAP is that it encourages European agri-businesses to export huge quantities of food worldwide that poor farmers cannot compete with on price. (5)  Agriculture generates just 1.6% of EU GDP and employs only 5% of EU citizens. If Europe wants to maintain the rich diversity of its rural areas and keep people on the land, then it must carry on subsidising farmers, the CAP’s defenders say. They feel that many smallholders, who work long hours and earn less than the average income, would go out of business without the CAP. Furthermore, the EU needs to provide a financial incentive to attract younger people into farming.

Source – BBC News – © 2013 BBC

### READING COMPREHENSION

**2** **FCE** Read the text and choose the best sentence to fill each gap. There is one extra sentence you do not need.

- Another widely held view is that Europe is spending far too much on the CAP.
- Overall, farmers in the 15 older EU member states benefit much more from the CAP than the newer members.
- These policies were damaging for foreign farmers, and made Europe’s food prices some of the highest in the world.
- However, this appears unlikely to be accepted as it has encountered protests from powerful lobby groups.
- Since the CAP began, some changes have been made.
- This intervention helped reduce Europe’s reliance on imported food.

### INTERNET RESEARCH/Writing

**3** Do some research on another EU common policy and write a short report. Include the following points:

- when it was introduced and the main aspects;
- recent amendments or proposals;
- any criticisms or controversies.