

Dear Madam/Sir,

The trialogue negotiations of the reform of the EU Common Agricultural Policy have started some time ago. MTK, the Union of the Finnish Farmers' and Forest Owners, would like to highlight a few very important points in the CAP process for the Finnish agricultural sector.

At first, we would like to express our support for the CAP-decisions made by the Council and the European Parliament. It is of utmost importance to recognize the difference between member states and the flexibility needed for implementation of the new ambitious agricultural policy. Only with the flexibility, we can reach the objectives of the EU's ambitious climate and environment policies.

As a precondition for the successful new CAP is that the budget for the next MFF and the recovery package is confirmed as soon as possible. The funding for the CAP should be sufficient and cover the new environmental and climate work the farmers are committing to.

Finland currently has strong agri-environmental measures in the CAP pillar II. Almost 90 % of the farmers are committed to voluntary measures. We find it crucial that the green architecture should be flexible enough for the member states to create the best possible combination of measures, to benefit the farmer and the environment. It is also important that all the environmental and climate work of farmers is counted in. The ANC support should be considered as an environmental measure since it maintains the agricultural production in the disadvantaged areas hence diversifying EU-production.

The voluntary environmental and climate measures should have a possibility of incentive-based payments. We find it important also to have animal welfare measures in the voluntary options.

We regret that the simplification of the CAP is not happening, at least from the farmers' point of view.

We strongly support the capping to be voluntary. There is no need to solve the problems where they do not exist in the first place.

To keep the coupled support at the same level as in the current CAP is crucial to keep the dairy and beef production in Southern Finland. This supports also environmental targets, especially biodiversity on agricultural land.

GAECs 2 and 7 are problematic to us. The profitability of farming should not be endangered by the GAEC requirements. Treating peatlands is crucial to the climate work in agriculture, but the importance of food production and the regional situation should be taken into consideration. Actions do need to be taken in order to reduce the climate impact of agriculture, but as stated in the Paris agreement, food security should not be endangered. Practical feasible measures can be found in <u>the Finnish climate road map for agriculture created by LUKE</u>. No bare soil -requirement is impossible in practice in the Northern climatic conditions and certain soil types. The decisions and targeting of the measures should be taken nationally.

The crop rotation GAEC 8 should take into consideration the reality on smaller farms where the possibility of cultivating several crops simultaneously is limited. In Northern climatic conditions, also the options for diversified crops are really limited. Also, the GAEC 9 should consider the size and

location of the field parcels in relation to the surrounding forests in providing the non-productive features.

The SMRs 7-9 requirements should be removed from the conditionality. This would make the sanctions more rightful. It would not anyway endanger the traceability of the animals.

The biodiversity should be enhanced also in agriculture. However, we have good results from the voluntary measures in agriculture showing that the adverse development has been halted. In Finland, 70 % of the area is covered by sustainably managed forest but we need also agriculture and grazing cattle to maintain the biodiversity. The natural conditions vary significantly between the Member States and therefore the decision-making of actual measures improving the biodiversity should be taken nationally.

The functionality of the markets should be enhanced, and sufficient risk management measures should be available to all sectors in need.

The minimum 30 % of II pillar funding for investments, risk management, young farmers and advisory services is an ambitious target. The requirement for the used % should, however, be somewhat proportionate to the overall national CAP budget since the overall size of the II pillar varies a lot between member states.

We are convinced that the new CAP has all the necessary elements to achieve the climate goals of the Paris Agreement. We should not #WithdrawTheCAP but ensure that the Member States use the CAP measures to its full potential. The Finnish farmers and forest owners encourage the negotiators in the CAP trialogues to find the best possible compromise to ensure the excellent future of European agriculture.

Helsinki, 30.11.2020

Yours sincerely,

plus

Juha Marttila President of MTK +358 50 341 3167 juha.marttila@mtk.fi

Further information: Mr. Johan Åberg, Director for Agriculture, MTK +358 40 5233 864 , <u>johan.aberg@mtk.fi</u> Ms. Hanna Leiponen-Syyrakki, Director of Brussels office, MTK +32 476 502 704, <u>hanna.leiponen-syyrakki@mtk.fi</u> CC:

Mr. Frans Timmermans, Executive Vice-President, European Commission

Mr. Janusz Wojciechowski, Commissioner for Agriculture and Rural Development, European Commission

Ms. Julia Klöckner, Federal Minister of Food and Agriculture, Germany

Mr. Jari Leppä, Minister of Agriculture and Forestry, Finland

Members of European Parliament:

Mr. Peter Jahr

Ms. Ulrike Müller

Mr. Eric Andrieu

Ms. Maria Noichl

Mr. Martin Hlaváček

Mr. Gilles Lebreton

Mr. Martin Häusling

Mr. Bert-Jan Ruissen

Mr. Luke Ming Flanagan

Ms. Anne Sander

Ms. Pina Picierno

Mr. Ivan David

Ms. Tilly Metz

Mr. Krzysztof Jurgiel

Mr. Chris MacManus

Mr. Benoît Biteau

Mr. Jérémy Decerle

Ms. Ruža Tomašić

Mr. Petros Kokkalis

Ms. Mara Bizzotto

Ms. Elsi Katainen

Mr. Petri Sarvamaa

Mr. Nils Torvalds