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A3-0027/91/PART A

REPORT

of the Committee on Agriculture, Fisheries and Rural Development

on the LEADER programme and on the uses of rural areas

Rapporteur: Mr George W. STEVENSON

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PART A: Motion for a resolution

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A Series' Reports - B Series Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations)

* = Consultation procedure requiring a single reading

**II

Cooperation procedure (second reading) which requires the votes of a majority of the current Members of Parliament for rejection or amendment

**I = Cooperation procedure (first reading)

Parliamentary assent which requires the votes of a majority of the current Members of Parliament

By letter of 21 August 1990 the Commission asked the European Parliament to deliver an opinion on a Draft Notice from the Commission to Member States laying down guidelines for integrated global grants for which Member States are invited to submit proposals in the framework of a Community initiative for rural development, LEADER (Links between actions for the development of the rural economy).

At the sitting of 10 September 1990, the President of Parliament announced that he had referred this Draft Notice to the Committee on Agriculture, Fisheries and Rural Development as the committee responsible and to the Committee on Budgets for its opinion.

At its meeting of 18 September 1990 the Committee on Agriculture, Fisheries and Rural Development decided to draw up a report and appointed Mr George Stevenson rapporteur.

At its meetings of 18 and 19 September 1990 and 28 and 29 November 1990 the committee decided to include in its report the following motions for resolutions which had been referred to it:

- B3-0484/90 by Mr Happart on measures to encourage environmentally conscious farming; announced in plenary sitting on 14 May 1990; responsible: Committee on Agriculture, Fisheries and Rural Development; opinion: Committee on the Environment, Public Health and Consumer Protection;
- B3-0642/90 by Mr Livanos on a programme for the rationalization of agricultural development; announced in plenary sitting on 14 May 1990; responsible: Committee on Agriculture, Fisheries and Rural Development; opinion: Committee on the Environment, Public Health and Consumer Protection;
- B3-0834/90 by Mr Siso Cruellas on improving the rural environment to provide better prospects for the farming population; announced in plenary sitting on 11 June 1990; responsible: Committee Agriculture, Fisheries and Rural Development; opinion: Committee on Transport and Tourism;
- B3-0836/90 by Mr Ortiz Climent and Mr Navarro on the cessation of farming and alternatives such as rural tourism; announced in plenary sitting on 11 June 1990; responsible: Committee on Agriculture, Fisheries and Rural Development; opinion: Committee on Transport and Tourism:
- B3-1532/90 by Mr Mottola on a Community strategy for health care in rural areas; announced in plenary sitting on 8 October 1990; responsible: Committee on Agriculture, Fisheries and Development; opinions: Committee on the Environment, Public Health and Consumer Protection and Committee on Budgets;

At its public hearing of 30/31 October, and the meetings of 28/29 November and 19/20 December 1990, 10/11 and 29/31 January, and 7/8 February 1991, the Committee on Agriculture, Fisheries and Rural Development considered the Commission proposal and draft report.

At the latter meeting it adopted the motion for a resolution unanimously.

The following took part in the vote: Colino Salamanca, chairman; Graefe zu Baringdorf, vice-chairman; Stevenson, rapporteur; Bofill (for Livanos), Carvalho Cardoso, Domingo Segarra, Fantuzzi, Fernex (for Falqui), Funk, Görlach, Happart, Keppelhoff-Wiechert, Lulling (for Bocklet), Marck, Miranda da Silva (for Piquet), Partsch (for Verbeek), Pisoni F. (for Pisoni N.), Rothe, Saridakis, Sierra Bardaji, Sonneveld, Thareau, Vohrer and Woltjer.

The opinion of the Committee on Budgets is attached; the Committee on the Environment, Public Health and Consumer Protection and the Committee on Transport and Tourism decided not to deliver an opinion.

The report was tabled on 8 February 1991.

The deadline for tabling amendments is 12 noon on Thursday, 14 February, 1991.

A

MOTION FOR A RESOLUTION

on the LEADER programme and on the uses of rural areas

The European Parliament,

- having regard to the motion for resolutions by:
- (a) Mr Happart, on measures to encourage more environmentally conscious farming (B3-0484/90),
- (b) Mr Livanos, on a programme for the rationalization of agricultural development (B3-0642/90),
- (c) Mr Siso Cruellas, on improving the rural environment to provide better prospects for the farming population (B3-0834/90),
- (d) Mr Ortiz Climent and Mr Navarro, on the cessation of farming and alternatives such as rural tourism (B3-0836/90),
- (e) Mr Mottola, on a Community strategy for health care in rural areas (B3-1532/90),
- having regard to the Draft Notice from the Commission to Member States laying down guidelines for integrated global grants for which Member States are invited to submit proposals in the framework of a Community initiative for rural development, LEADER (Links between actions for the development of the rural economy), (SEC(90) 1602 final C3-0284/90);
- having regard to the report of the Committee on Agriculture, Fisheries and Rural Development, and the opinion of the Committee on Budgets (A3-0027/91),
- A. whereas the European Parliament has already given an opinion on the Commission's communication called 'The Future of Rural Society', in the form of a report by Mr Maher (Doc. A2-0146/89)¹, which it reaffirms,
- B. whereas the reform of the common agricultural policy has imposed severe difficulties on farmers throughout the Community, without solving problems of trade with third countries, or the effect of these sales on Third World countries, and created severe difficulties in rural areas of the Community,
- C. whereas the GATT negotiations or their failure are likely to mean that external protection of European farmers will be reduced in the long term, with further damaging effects for rural areas,
- D. whereas the disagreement between the Community and other countries in the GATT negotiations on agricultural subsidies has been caused in part because the common agricultural policy, as presently constituted, dumps food on the

¹ OJ No. C 158, 26.6.1989, p. 373

world market and thereby distorts trade and undermines other primary producers,

- E. whereas there must be no discrimination between Member States and whereas it is essential to bring together a coherent policy for the development of the rural areas,
- F. whereas the fundamental concerns of the global strategy for rural development must be economic and social cohesion, the gradual adjustment of farming to the realities of the market and the protection of the Community's environment and the conservation of its natural heritage;
- G. whereas the completion of the internal market in 1992 will mean that, socially and economically, the frontiers between the Member States will fade away; whereas Europe's regions are already or are being organized with this in mind; whereas these European regions also include rural areas and are devising initiatives for the development of these areas on the basis of common interests.

I. THE LEADER PROGRAMME

- 1. Declares that the LEADER programme has a totally inadequate budget of only ECU 400 m for a period of four years, but may help to launch a number of good projects, and that the initiative can do no more than tackle the symptoms of the agricultural crisis in the Community; requests therefore that the budget should be increased in the next financial year;
- 2. Takes the view that programmes like LEADER and MIRIAM are to be welcomed as part of a revised policy for rural areas and positive regional land planning, and requests that the implementation of the LEADER programme and other programmes for the benefit of rural areas should be implemented in accordance with the partnership principle, as advocated by the Advisory Council for all Community programmes in its opinion on partnership and the structural funds;
- 3. Holds the view that the regions of Europe must also come within the sphere of action of LEADER; calls for the LEADER programme to be extended to areas not included under Objectives 1 and 5b, especially as regards experimental projects carried out in support of rural development, including suburban farming areas, by means of additional financial measures;
- 4. Suggests that the LEADER Programme should include the following amendments:

In section 14 - Allow for the purchase of equipment other than data handling and transmission equipment and raise the ceiling for expenditure in this category to 20%.

In section 15 - Include translation costs for national languages and raise the ceiling for expenditure in this category to 4%.

In section 22 - Extend the deadline for submission of proposals to 9 months;

5. Insists that the LEADER programme should offer better and selective support to local initiative, by giving priority to training and the independent devising of operational local development projects; it should also provide a role for locally raised finance, so as to prevent national budgetary restrictions limiting its impact;

II. THE ROLE OF AGRICULTURE IN RURAL POLICY

- 6. Is of the opinion that a common agricultural policy is the most important part of a coherent and effective rural policy, but recognizes that the present policies do not make the best possible use of public money;
- 7. Considers that the reform of the CAP in recent years, in particular because of the delayed application or non-application of the accompanying measures demanded by the Council in connection with the decisions on stabilizers, has led to a grave situation in agriculture, which has aggravated the economic and social tension in the rural areas without solving the problem of quantities or the income problems caused by pressure on prices;
- 8. Is of the opinion that there is a contradiction of effort in that the Commission is deliberately reducing farmers' ability to survive, in the hope of reducing surpluses and costs, and at the same time attempting to provide measures which will improve the position of the rural world; believes further that the failure to coordinate agricultural support and rural development aims and policies has led to a drastic reduction in income and a threat to the very survival of many family farmers to the detriment of the social and economic well-being of rural communities;
- 9. Believes that the Commission's positive actions and proposals for rural development will be undermined if large numbers of small-scale farmers are prevented from continuing to earn a living through agriculture; points out that only two thirds of current support payments reach farmers and of that figure 80% goes to only 20% of the farming community;
- 10. Holds the view that unless balance is restored on the market by restricting production and broadening the market by means of improving quality and using agricultural products outside the food sector, a successful policy for European agriculture and hence also for rural areas will not be possible;

- 11. Takes the view that an effective policy to control agricultural production at European and international level could help to reduce expenditure in the sector of market policy and must be used as part of a broader rural policy;
- 12. Considers that the Community has made great efforts to adapt the common agricultural policy to the new circumstances on European and international markets and rejects the destruction of the CAP; takes the view that, whilst the basic principles of the CAP must be safeguarded, far-reaching reforms will still be needed in the near future in order to supplement the market policy system with a system of direct income support for farming in the interests of maintaining a socio-economic balance in rural regions;
- 13. Believes that the new common agricultural policy must have specific objectives, based on Article 39 of the Treaty, designed to maintain and improve farmers incomes and social conditions in rural areas;
- 14. Believes that these objectives must include: sharing the benefits of farm support in proportion to social need; conserving the soil and the wider environment; protecting and enhancing the beauty of the countryside; providing consumers with a varied and healthy diet; guaranteeing basic food supplies in case of emergency; eliminating distortion of international trade and avoiding damage to developing nations;
- 15. Believes that efficient farm production must continue to be encouraged and must not be penalized;
- 16. Requests that in the development of rural areas the implications of agriculture's key role and the dangers of spoiling agriculture by overdevelopment should be taken fully into account;
- 17. Believes that the new CAP will have to take into account:
 - (a) the cultural characteristics of the various regions,
 - (b) the size and technical and economic viability of the various types of farm,
 - (c) the preservation of family-run farms by bringing in income support when it proves essential,
 - (d) the protection of part-time farming if justified in the interests of rural development;
- 18. Recognizes that the Commission has proposed certain auxiliary measures such as direct aids, pre-retirement, related measures for small farmers in the 1990 price package, and other proposals which are intended to reduce the damage to farmers caused by policy changes;

- 19. Stresses that there is great potential in the value of part-time farming, which enables people, in many cases, to stay on the land, and particularly underlines the importance of the role of women in such situations;
- 20. Takes the view that hitherto insufficient thought has been given to the opportunities for additional income for farms and urges the Commission to draw up proposals to promote this way of supplementing income (farm holidays, the craft industries connected with farming, the boarding-out of domestic animals, etc.);
- 21. Takes the view that an improvement in regional marketing outlets will not only increase the proportion of the retail price that the farmer receives, but the establishment of such outlets will also create jobs outside farming;
- 22. Takes the view that in view of increased use of agricultural products in the non-food sector, greater consideration will also have to be given to the industrial firms using these products, to persuade them to set up business in rural areas, insofar as this is technically and economically feasible:
- 23. Points out that possibilities exist for the production of organic food which can attract higher prices and at the same time contribute to the reduction of surpluses;
- 24. Reminds the Commission of the adverse effects of the CAP in agricultural regions not covered by Objectives 1 and 5b of the structural fund reform. All economic activity in some of these areas is now seriously threatened by the difficulties which farmers are up against;

III. RURAL POLICY IN THE COMMUNITY

- 25. Stresses that rural policy must encompass a global integrated approach involving agriculture, regional land planning and the protection of the environment;
- 26. Believes that in future rural policy must take into account the new problems facing agriculture in an industrial society and that the CAP must give more recognition to the contribution made by agriculture to the preservation and upkeep of the rural environment, which is a service to the whole population;
- 27. Urges that there must be a European will to implement a genuine European regional planning policy; emphasizes in this connection that rural development is much more than agricultural policy and must address the problems of all rural areas;

- 28. Welcomes the special attention the Commission is devoting to rural development, but calls urgently for new Community initiatives for the benefit of rural areas to limit the particularly serious consequences of the commitments recently made by the Community in the field of agriculture during the GATT negotiations;
- 29. Considers that in the proposed reorganization of structural funds, a special structural fund should be established to which specific transfers may be made from existing funds, as the only way of implementing a rural policy which is consistent and coherent; believes equally that it is indispensable to achieve participation from private sources in developing the rural areas;
- 30. Believes that because of the growing traffic problems in conurbations manufacturing and service industries which are free to choose their location are looking increasingly to rural areas, as long as equivalent facilities, in particular telecommunications, are provided in the rural areas;
- 31. Stresses that rural policy should be seen as part of a total countryside strategy, taking full account of the fact that urban and rural areas are complementary rather than distinct, and have equal need of each other;
- 32. Recommends the use of tailor-made and negotiated solutions to rural problems in different areas, including the rural areas not included under Objectives 5b and 1, which involves the identification of the rural areas, the participation of local people in the analysis of local problems, and integrated programmes which provide a non-sectoral balanced approach to these problems, including infragructure, housing, the development and adjustment of agriculture, alternative new interests and the development of rural activities as a whole, and stresses that in the European Community there are whole areas which have no other economic options apart from farming;
- 33. Considers that this approach is appropriate for solving the problem of unemployment in rural areas especially among young people, women and farmers who are forced to change their occupation, but also town-dwellers who have recently moved to the countryside, and for helping the inhabitants of rural areas to cope with this new situation which they are neither prepared for nor organized to tackle;
- 34. Points out that the Western Package in Ireland, or the Integrated Mediterranean Programmes can serve as a model for this approach, and that rural policy must be flexible enough to meet the needs of the widely differing conditions in the European Community, as can be seen, for example, in the conditions in the new Länder;

- 35. Believes that an essential ingredient in these comprehensive approaches to individual area problems is an emphasis on the importance of training and education, particularly of young people, so that they can develop career opportunities in farming or in other activities;
- 36. Believes that rural policy must embrace the development of services, infrastructure and the provision of lower cost housing where market developments or policies have made houses prohibitively expensive;
- 37. Believes that positive attempts to save and improve the environment are necessary, not just as a result of agricultural pollution but, much more seriously, because of industrial pollution, which also applies particularly in the new Länder;
- 38. Believes that rural societies should be encouraged to protect the environment, reduce or avoid pollution in agriculture and promote employment through environmental protection in rural areas;
- 39. Requests that the programme should provide for the funding of research to identify, define and classify a rural typology containing relevant categories to cover measures which may be proposed in order to make savings on investments;
- 40. Believes that measures should be taken for a more active forestry policy, for example by guaranteeing the payment of premiums for a period of 25 years;
- 41. Believes that to make a reality of rural policy, regional agencies or task forces at Community and national level should be considered and encouraged;
- 42. Requests that the operational projects should pursue the objective of saving space in the countryside by ensuring optimum and rational use of areas lost to farming following abandonment or unsuccessful attempts at diversification of production;
- 43. Recommends the development of agro-tourism and other new agricultural and rural activities, as further areas of profitable potential for the future, and that these alternative activities be studied with a view to establishing the possibilities for funding in this area, and ensuring that the necessary structuring and training are provided;
- 44. Instructs its President to forward this resolution to the Commission and Council.