THURSDAY, 2 OCTOBER 2014 BRUSSELS

THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

HEARING OF PHIL HOGAN

COMMISSIONER-DESIGNATE

(Agriculture and Rural Development)

4-002

PRZEWODNICZY CZESŁAW ADAM SIEKIERSKI

Przewodniczący Komisji Rolnictwa i Rozwoju Wsi

(Posiedzenie zostało otwarte o godz. 9.00.)

4-00

Przewodniczący. – Otwieram nasze wyjątkowe posiedzenie komisji, takie, które się zdarza właściwie raz na pięć lat. Bardzo chciałbym wszystkich Państwa powitać, szczególnie chciałbym powitać pana Hogana. Witam Pana w imieniu wszystkich członków Komisji Rolnictwa i Rozwoju Wsi, wszystkich tu nas obecnych! Pańska obecność stanowi niewątpliwie dla naszej komisji bardzo ważny moment. Mamy również nadzieję, że będzie to początkiem owocnej współpracy, która przyczyni się do ochrony i rozwoju silnego i zrównoważonego europejskiego rolnictwa. Witam jeszcze raz wszystkich przybyłych tak licznie: naszych gości, liczną reprezentację Komisji Europejskiej na czele z dyrekcją – panem dyrektorem generalnym Jerzym Plewą! Witam wreszcie naszych członków Komisji Rolnictwa!

Dwa słowa o naszym zacnym kandydacie. Po ukończeniu swojej edukacji na uniwersytecie w Cork pan Hogan zarządzał oraz prowadził rodzinne gospodarstwo, zanim założył własną firmę zajmującą się ubezpieczeniami i nieruchomościami. Było to w roku 1983. W tym samym roku został po raz pierwszy wybrany do rady miejskiej, od tego czasu zgromadził ogromne doświadczenie polityczne, zajmując początkowo stanowiska szczebla lokalnego, później jako senator oraz poseł od roku 1987. W ostatnim okresie sprawował urząd ministra środowiska, społeczności i samorządu lokalnego w latach 2011–2014.

Muszę przypomnieć temu zgromadzeniu, że zgodnie z wytycznymi dotyczącymi zatwierdzania nowego składu Komisji zawartymi w załączniku XVI do Regulaminu Parlament dokonuje oceny kandydata na komisarza na podstawie jego ogólnych kompetencji, przywiązania do wartości europejskich oraz osobistej niezależności. Ocenia on również wiedzę dotyczącą jego przyszłego portfolio, jak również umiejętności komunikacyjne.

Chciałbym również przypomnieć państwu, że przed przesłuchaniem kandydat na komisarza pan Hogan udzielił pisemnych odpowiedzi na pytania zawarte we wstępnym kwestionariuszu. Te pisemne odpowiedzi zostały Państwu dostarczone we wszystkich językach urzędowych.

W kwestii struktury debaty chciałbym Państwu zwrócić uwagę na kilka zasadniczych kwestii. Kandydat na komisarza jest proszony o wygłoszenie wstępnego ustnego oświadczenia, nie dłuższego niż 15 minut. Pod koniec spotkania będzie mieć również 5 minut na uwagi końcowe. Po tym wstępie będziemy mieli czas na 45 pytań od posłów. Debata będzie odbywać się zgodnie z zasadą "pytanie – odpowiedź" z 3-minutowymi przedziałami czasowymi. Jedna minuta będzie przeznaczona na pytanie i dwie minuty na odpowiedzi ze strony pana Hogana.

Podkreślam, że jest kwestią niezwykle istotną, aby przestrzegać czasu wystąpień celem zagwarantowania udanego i rzetelnego przesłuchania, dlatego też nalegam, aby wszyscy państwo posłowie, jak również pan kandydat na komisarza stosowali się do tej zasady odnośnie do czasu wypowiedzi. Przewidziana jest 5-sekundowa tolerancja dla posłów, powtarzam – 5-sekundowa tolerancja dla posłów, powtarzam – 5-sekundowa tolerancja dla pana kandydata na komisarza. Po tych 5 sekundach – czy 10 w przypadku pana kandydata na komisarza – mikrofon zostanie wyłączony. Znak gwiazdki zostanie wyświetlony na 10 sekund przed upływem przedziału czasowego dla każdej wypowiedzi. Te surowe zasady są konieczne, aby mieć pewność, że nim sesja dobiegnie końca, wszyscy wyznaczeni mówcy będą mieć możliwość zadania kandydatowi na komisarza swoich pytań.

Przypominam, że dostępne jest tłumaczenie symultaniczne na 24 języki, w tym także język irlandzki. Wszyscy mówcy mogą zatem wypowiadać się w swoim własnym języku, powinni jednak mieć na względzie, że ich wypowiedź będzie tłumaczona, nie powinniśmy zatem mówić zbyt szybko.

Chciałbym również Państwa poinformować, że posiedzenie jest transmitowane online na żywo na stronie internetowej Parlamentu Europejskiego, gdzie będzie również dostępne nagranie z przesłuchania. Mogą Państwo również śledzić przesłuchanie na Twitterze.

Teraz powinniśmy przystąpić już do naszej konkretnej pracy, a więc zgodnie z przyjętym, przedstawionym harmonogramem zwracam się do kandydata na komisarza pana Hogana o wygłoszenie oświadczenia, tak jak prosiłem nie dłuższego niż 15 minut. Szanowny Panie Ministrze! Ma Pan swój czas! Bardzo proszę!

4-00

Phil Hogan, *Commissioner-designate.* – Mr Chair, distinguished Members of the European Parliament, I am delighted to be here today to exchange views at this hearing. My ambition is to shape European agriculture and rural development positively over the next five years – and to work very closely with you as I do so.

I know many of you have served in this Parliament and this committee for the last parliamentary term, or even longer. For me you are an important source of knowledge and political experience on the common agricultural policy, and one which, as Commissioner, I will wish to use to the full.

As the Chair has said, like many of you, I grew up on a farm – in rural Kilkenny, in south-east Ireland. I was a public representative for 32 years and I have dedicated much of my time to understanding and dealing with the issues and concerns of the farming community and people in rural areas. Since 1989, I have represented the Carlow/Kilkenny constituency in Dáil Éireann, the Irish Parliament, where I have served in the Fine Gael shadow cabinet and as spokesman on Europe, on the food industry, on consumer affairs and on regional policy.

Throughout my political career I have actively put the case for Europe. In particular, I have campaigned in favour of each and every Treaty change and I am proud that each and every one of those Treaty changes has given a new and stronger role to Europe. The Treaties have brought greater democratic legitimacy to European politics by heightening the role of the European Parliament.

Over the past three years, as Minister for the Environment, Local Government and Community Affairs in Ireland, I have been proud to take part in the EU's law-making process, negotiating and driving forward many complex and important pieces of environmental legislation. Indeed, during the 2013 Irish Presidency, I chaired the EU Environment Council. It was a particularly productive six months, during which I worked very closely with your colleagues in the Committee on the Environment, Public Health and Food Safety, and we reached agreement on a range of important environmental laws covering water pollution, emissions from cars, vans and aviation, the Seventh Environmental Action Programme, and more.

I made it my priority to ensure that Ireland itself complied with EU law – and over those three years, the number of EU infringement cases against Ireland fell from 31 to nine. Those cases covered a range of topics, such as water quality, proper planning and development, soil protection and biodiversity.

That is what I know that Europe can achieve, with institutions working together in a spirit of cooperation and mutual respect. I firmly believe that the Commission and Parliament should work very closely together in that spirit, and that is the best way to maximise our impact – for the good of European agriculture and the good of all of the people of Europe. There is a phrase that is regularly used in my native Irish language –

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4-00

which means we are strongest when we work together. For that reason, I would want strong cooperation with this committee: meeting regularly, formally and informally, with frequent opportunities to exchange information.

Let me turn to the challenges for European agriculture as I see them. We are entering a new phase. Only with stronger and more competitive agriculture, and stability for our farmers, can we build food security and generate growth and jobs. Agriculture is a strategic sector of our society. Farming involves 25 million people in the EU – that is roughly 5% of total employment – and manages 50% of total EU territory. The EU agri-food sector, which generates 3.5% of the EU's total value added, increased the value of its exports by 70% over the last five years, a rate faster than overall EU export growth.

However, world demand for food is rising – it is expected to increase substantially, some people say by 60% by 2050 – and we are uniquely positioned to take advantage of that demand. We need to be able to produce in a way that safeguards the natural resources on which high quality agricultural production depends in the long-run.

President-elect Juncker has made clear his focus on growth and jobs, and agriculture is well placed to make a central contribution. So let me set out my priorities for the coming years to achieve this.

After several years of preparation and negotiations, the most recent common agricultural policy (CAP) reform was agreed and approved last year. This was the first CAP reform since the Lisbon Treaty came into force, and so it was the first time that this democratic assembly could participate actively and on an equal footing with the Council.

After these various changes, we must now deliver for farmers and rural communities. We must offer stability, predictability and practical solutions. If my appointment is approved by Parliament, I will support the Member States as they implement this reform. I know many members of this committee have concerns about the implementation of the CAP. The debate on this reform has already raised important questions on the need for simplification. Let me be very clear – the one thing simplification is not is simple!

One of my commitments, as new Commissioner, would be comprehensively to screen the CAP legislation to see what can be simplified – without calling into question the effectiveness of the policy or its sound financial management. Indeed, I believe cutting the administrative burden will not only be positive for farmers and national authorities but can also reduce errors in the way that EU money is spent. Based on this screening, I would develop, early in my term of office, ideas for a simplification and subsidiarity strategy for the CAP in accordance with general regulatory fitness principles. To be credible, any strategy would need clear initiatives, with a clear timetable for implementation, for a CAP that is expected to be simple, efficient and flexible.

After one year of experience with the reform, I intend to review whether our policy, in particular as regards direct payments, is designed in a way that is being properly applied in practice. If not, I will consider what amendments might make it simpler and more efficient. This exercise will, of course, include the arrangement on greening and 'ecological focus areas', which are the subject of commitments by the outgoing Commission.

I will also review geographical indications and, if necessary, I will propose areas there for further harmonisation and simplification. I will look, too, at the potential to simplify the fruit and vegetable scheme.

Responding to the Russian ban on agricultural products is the most immediate challenge and it is a challenge we must face together, as Europeans. In this area, we have rightly shown solidarity with our farming community. We have tried to stabilise markets and help reorient our exports to other third countries. I will closely monitor how the markets evolve and, if necessary, I will not hesitate to take appropriate measures.

The political agenda for the coming years will be jobs, growth and investment. I want agriculture to play its rightful, central role in that agenda and to develop as a sector that is modern, market orientated and knowledge based. Over the coming years, the abolition of the remaining production constraints, such as quotas for sugar and dairy, will put EU agriculture in a much better position to respond to market signals and global challenges. I will pay particular attention to what this new situation means for the sector.

I will also keep a close eye on rural development programmes, which the Commission is due to approve in the coming months. With a view to job creation, we will focus on sufficient funding for investment, business start-ups and local development in rural areas. This should allow us to strengthen the links between the agricultural sector and the rest of the economy, in particular along the food chain.

I also want agriculture to benefit from the best of research and innovation. That will be my philosophy in the context of Horizon 2020, as I steer the European Innovation Partnership on Agricultural Productivity and Sustainability. I know that those two initiatives can boost agricultural activity and create jobs.

The environment and sustainability will continue to be central. After all, without our natural resources no agriculture can take place. Only if we improve soil quality and preserve our water resources will we be able to produce in the future. I am aware of concerns about greening and 'ecological focus areas' and I want to keep a close check on how the system works as we try it out.

In the coming years, we need to continue to increase energy efficiency and cut emissions, making better use of our natural resources by adapting how we produce, by providing training and advice, and by supporting innovation. Here again, the new rural development programmes will have to deliver.

We should open up more business opportunities. International markets are essential for EU agriculture and essential to ensure our farmers maintain a decent income. As demand rises across the globe, this is an opportunity with high potential. I would like European farmers to be able to seize it. We will continue to export to developed countries but, as emerging economies grow – with a rising middle class – so will our opportunities.

You know, too, that we have on the horizon the Transatlantic Trade and Investment Partnership with the United States. This agreement will be an important priority but it will also be reasonable and balanced. On this point President-elect Juncker has been very clear. It will not lead to downward pressure on our own production standards, and I intend to maintain essential border protection for the most sensitive sectors.

I have long believed in Europe, and I have long served the interests of rural and farming communities. It would be a great honour for me, with your approval and consent, to continue to do so as Commissioner for Agriculture and Rural Development, delivering and implementing a policy that is simpler, more effective and environmentally sound, offering growth, jobs and opportunity for every farmer, every rural community and every European.

(Applause)

4-007

Mairead McGuinness (PPE). – Commissioner-designate, you spent quite a part of your introduction talking about the common agricultural policy, production and markets, but I want to bring you to the end of the food supply chain – the retail sector – and the unfair commercial practices which producers and suppliers face.

Let me quote this morning's *Irish Farmers' Journal*, where the Chairman of the IFA's Vegetable Committee says that the ALDI tendering process is crippling his sector. This is not just an Irish issue. Right across the European Union, producers are in fear of the supermarkets they deal with. They are fearful of complaining and we need some response on this issue. The out-going Commission has acted, but do you believe a voluntary code is enough? What will you do as Commissioner-designate to deal with this issue, which is about sustainability of the food supply chain and removing fear from producers who supply into the market place? These are critical issues because farmers' incomes depend on them. It is also an issue in the beef sector.

4-00

Phil Hogan, Commissioner-designate. — Well there is no doubt that the rapid concentration of retailers and processing industries, especially in the last decade, has resulted in an uneven bargaining power in respect of the multitude of farmers. I welcome the progress that has been made in recent years to better address unfair trading practices in business-to-business contractual relationships, and this was obviously worked on by the Food Supply Chain Forum.

But the voluntary initiative promoted by processers and retailers in some Member States to address these unfair practices still lacks an effective enforcement mechanism. It does not include the opportunity for confidential complaints. This is perhaps why farmers' organisations and processors did not join the voluntary scheme.

So I welcome the recent Commission communication on this subject, which highlights possible enforcement solutions for the Member States. But at the same time, I see more and more Member States – and Ireland is the most recent example – setting up legal means to tackle unfair practices. So we need to put pressure on stakeholders. The Commission should be ready to propose legal instruments if the voluntary approach does not fully address these concerns, and it seems to be the case at the moment that they are not being addressed properly. I am willing to look at legal instruments, in conjunction with the Committee on Agriculture, to see what we can do to assist people to get good and fair prices for the producer, and not the declining prices that we have at the moment.

4-009

Paolo De Castro (S&D). – Signor Commissario designato, quando la proposta di riforma della PAC ci venne presentata ci fu qualche collega in questa commissione che la definì un incubo per gli agricoltori. Come Parlamento europeo siamo riusciti a migliorarla, forse a mitigare un po' gli effetti ma non a sufficienza: la PAC ha bisogno soprattutto di rimettere al centro la competitività e l'innovazione, la creazione di posti di lavoro, il rafforzamento delle nostre imprese agricole sul mercato interno ed esterno!

Cosa pensa il Commissario designato di questa priorità?

Sfrutterà l'occasione della revisione di medio termine per cambiare sostanzialmente questa politica agricola?

Vorrei aggiungere che nel mio gruppo c'è chi è preoccupato che lei non rispetti la libertà di parola e che invece di rispondere puntualmente alle legittime critiche preferisca fare causa legalmente. Quali garanzie ci può dare, Commissario designato, che per i prossimi cinque anni si impegnerà in un dialogo aperto e trasparente con il Parlamento europeo e che rispetterà pienamente il diritto di espressione dei suoi membri? Grazie.

4-010

Phil Hogan, Commissioner-designate. – First of all I would like to say that of course, I will cooperate fully with this committee and the European Parliament in the discharge of my responsibilities as Commissioner. You will understand that there might be exceptional situations, but they are very exceptional. But I have given you my commitment today in my opening remarks to work closely with this committee, and to be accountable and transparent, politically and otherwise, as is humanly possible, in my dealings as a commissioner, and I look forward to regular meetings, formally and informally, with members of this committee in order to advance what we wish to do. You will not find me wanting in my cooperation with fellow politicians.

In relation to the CAP reform, I am convinced that the new common agricultural policy is significantly greener than its predecessor. For the first time, 30% of direct-aid payments are made conditional upon additional action at farm level to protect the environment, on condition that the rural development programmes do the same. I hear criticism, as you have mentioned, that the vast majority of farmers will be exempted from greening. You have exempted farmers with less than 15 hectares – but 80% of the total arable area will be included.

The impact of the greening measures which we have undertaken in a declaration last April between the Commission and Parliament will depend on how these greening measures are put in place, and I will work with Member States and we have set up a dedicated unit in the Commission to assist Member States in terms of implementation. So after one year we will have a look at the ecological focus areas, we will have a mid-term review of the CAP once we have sufficient data, and I will certainly undertake to work very closely with the concerns that are being expressed by Members of the Parliament and by Member States in terms of the implementation of the present policy.

It has taken a long time to bring the policy together. I know that Parliament has been very much engaged in this process, with a significant number of amendments that you put down to the original proposals. But equally, we should not be too quick in passing judgement until we see how it will work in practice after one year.

4-01

James Nicholson (ECR). – Commissioner-designate, when I became a member of this committee in 1989, the common agricultural policy was around 55% of the budget. Now it is less than 40% of the budget. We then had the so-called milk lakes, butter mountains and beef mountains – yet now we are net importers.

Everyone speaks about food security – including the Commission – and throughout the CAP reform, but nothing has ever been done to ensure it. We now have too much bureaucracy and red tape and no simplification.

Will you ensure that agriculture is once again first priority in the College of Commissioners by defending the budget from further cuts and ensuring that agriculture policy accurately reflects the realities of farming on the ground?

Furthermore, with the milk quotas going next March, will you ensure your Commission is in a position to react to any eventuality that may face dairy farmers to ensure that they have an acceptable level of intervention and ensure control of volatility in the dairy market?

4-012

Phil Hogan, *Commissioner-designate.* – I hear what you are saying, Mr Nicholson, and I will defend the budget in so far as I can but obviously the European Parliament and the Council have a major responsibility here as well.

Proposals have been made, but I am sure that you will be making your contribution equally loudly and clearly when it comes to potential changes in the common agricultural policy budget. I note what you are saying in terms of a reduction. That is why I think it is important to be vigilant, and I will work closely with the Budget Commissioner to see that we get a fair budget for agriculture.

I agree with you – and in answer to the previous question – that there is concern about the bureaucratic nature of some of the reforms. I have given a commitment that simplification and reducing the administrative burden are priorities of mine in the next five years. I will already be setting in train the screening of the various measures in agriculture to see if we can reduce the administrative burden and I will be working closely with the first Vice-President, Commissioner-designate Timmermans, to ensure that will happen.

Recent events in the Russia-Ukraine crisis clearly indicate a need, under the common market organisation, for a safety net for products, and the concern you have expressed about milk and other products is legitimate. However, we have made immense progress since the McSharry reforms in 1992 in order to have a market-orientated policy. It has worked.

With regard to world market prices and EU market prices, obviously it is a help when they are closer together. But I see the removal of production constraints in milk and in sugar as an opportunity for more employment, more jobs and more market opportunities. The promotional budget that I will put in place over the next few years will clearly indicate that we need to diversify from the geopolitical regions where we have difficulties at the moment, and to ensure that we have greater market support, market opportunities and trade opportunities in other markets, and I am committed to leading by example and with trade missions.

4-013

Jens Rohde (ALDE). – Good morning, Mr Hogan. I am delighted to see you again. I must admit that I liked what I heard in your opening speech. Thank you for that.

But as you also mentioned, it is not all that simple. One of the huge challenges our farmers are faced with every day is the uneven implementation and enforcement of a broad range of regulations and directives in different Member States. This creates unequal and unfair competition for the agricultural sector in Europe. It would be right to stress that, if we do not have strong competition on the same level playing field within Europe, we will face difficult times when opening free trade agreements with other countries.

So my question is to ask how you, as a Commissioner, would ensure equal and fair competition in the agricultural sector in Europe, as we both know that screening and timetables will not do this.

4-014

Phil Hogan, Commissioner-designate. – In 2006, I understand, the EU had for the first time become a net exporter of foodstuffs. There has been some vacillation in imports and exports in the last few years, but in 2013 we have become a net exporter again.

So we have become more competitive with the changes that have been made in the common market orientation, and a market-led approach is certainly something I am very much in favour of. I have indicated in my last reply my intention to lead from the front, as it were, in relation to trade negotiations and trade opportunities in other countries.

But the reason is, I suppose, for the success story in our competitiveness, is that producers have been allowed to achieve competitiveness on the basis of a reformed and market-orientated CAP. It has emphasised the role that producer cooperation can play in generating efficiencies and it enhances effective competition. A considerable strengthening of producer organisations right across the European Union in our dealings with an increasingly concentrated downstream sector has been an

objective of many policies and they are beginning to bear fruit to a greater or lesser extent – particularly in the fruit and vegetable sector and in the dairy sector.

So I will certainly indicate to you that reducing bureaucracy, reducing the administrative burden and having a market-orientated policy are very much to the forefront of my policy as we go forward in the next five years.

4-01

Lidia Senra Rodríguez (GUE/NGL). – Senhor Presidente, em português.

A política agrícola europeia destrói a cada dia milhares de explorações. Pensa numa nova PAC que assegure o rendimento das e dos agricultores na Europa? Pensa numa nova PAC que garanta o bemestar animal? Pensa numa nova PAC que impeça o açambarcamento das terras? Pensa numa nova PAC que melhore a repartição das ajudas?

No entanto, pensa introduzir alguma medida de gestão da oferta para evitar crises como a que se avizinha no leite com o fim das quotas? Pensa em alguma medida de gestão dos mercados?

E, para rematar... Falou do TTIP. Eu vou falar do CETA, acordo União Europeia-Canadá. Em que setores agrícolas se deram e que vai fazer para, no seu mandato, apoiá-los?

4-016

Phil Hogan, Commissioner-designate. – I think that the reforms that have been brought into effect are doing the exact opposite of what you advocate. We have a basic income level now for all of our farmers across the EU. Added to that, we have a greening measure which gives you additional income. Under the rural development programmes, you have additional income. Indeed, in the country I know best, up to EUR 5 000 is being made available for certain particular measures for small farmers.

The proportion of small farmers in the European Union is quite large – 69% of all farmers have less than five hectares – so it is a significant challenge in terms of the structural reform. However, we also need a viable farming sector to ensure that we have farmers there to grow the food that we need because of the opportunities that are available. The administrative burden on small farmers needs to be addressed – and has been addressed. In your reforms, all of the farmers in the greening and ecological focus areas, and in the environmental measures, with less than 15 hectares have been exempted. Member States have great flexibility in relation to additional supports in the redistribution of resources, voluntary coupled support for marginal areas. So I think every effort has been made by the last Commission, and indeed with yourselves in the last mandate, to try to maximise the opportunity for the viability of farming families.

The rules of engagement in relation to the market in milk have been there since 2008. Everybody knows what the rules are. There has been a one per cent increase in the milk quota each year since then, as part of the soft-landing proposals. I think it would be unfair to change the rules in midstream when people have made their plans and have looked at the rules as they are. At the end of the next milk marketing year, we will be in a position to have a look at the situation, but certainly not to provide additional soft-landing support. I am also conscious of the fact that about 20 of the Member States in the last milk marketing year did not actually reach their quota.

4-01

Martin Häusling (Verts/ALE). – Herr Hogan, Sie waren als irischer Minister dafür verantwortlich, dass die EU-Nitratrichtlinie in Irland stark aufgeweicht und nicht umgesetzt wurde, sodass in vielen Regionen das Trinkwasser gefährdet ist. Können Sie dazu Stellung nehmen, wie Sie dazu gekommen sind und dass 50 % der Landwirte in Irland diese Nitratrichtlinie nicht einhalten?

Sie haben viel von Vereinfachung, aber wenig von Umwelt, von nachhaltiger Landwirtschaft geredet. Wird das kein Schwerpunkt Ihrer Arbeit sein?

Nun gibt es ja unbestritten negative Auswirkungen der Landwirtschaft auf die Umwelt, die man einschränken muss. Wie werden Sie den Bereich biologische Landwirtschaft – auch davon haben Sie kein Wort gesagt – in der Europäischen Union voranbringen, und wie werden Sie mit diesem Bereich umgehen?

4-018

Phil Hogan, Commissioner-designate. – The Nitrates Directive has introduced a considerable amount of additional measures that are environmentally friendly in relation to water sources in Ireland. Through cross-compliance, we have a significant amount of environmental measures in addition to the Nitrates Directive that are actually quite onerous responsibilities for the farming community. I get a lot of conversations in the other direction – as you would expect – as well.

But a balance has to be struck. I would point out – and you are right – that two Member States applied for pre-regulations from the EU in relation to very difficult situations that arose. One was the Netherlands and the other was Ireland. Those were granted. But while it is an issue that significantly impacts on farmers, the principle of responsibility for its implementation is in the Department of the Environment in Ireland. I completely agree that we have to look at the Nitrates Directive in terms of striking a balance between good water sources, good water quality and ensuring – through cross-compliance and other measures on greening – that we are able to implement the targets that have been set in the Member States for nitrates.

I mentioned in my opening remarks my solidarity with the need to make sure that we have protection of our natural resources, particularly soil and water. I spent three-and-a-half years in Ireland doing that: ensuring that people understood the value of water, promoting the polluter-pays principle, and ensuring that we actually protect that source in addition to protecting the water quality to an extent that we had not done before

Thirdly, on the organics proposal I know that you are a rapporteur yourself in relation to an organics proposal. You have been recently appointed, and I look forward to working with you. I think that we should not delay this proposal. We should actually accelerate it through Parliament and work with the committee members to ensure that we get a simplified measure and a very important outcome. It is very important for growth and jobs that we have this particular organics proposal implemented as quickly as possible in each Member State.

4-019

John Stuart Agnew (EFDD). – Good morning Mr Hogan. The bad news is that I will be your inquisitor twice today.

Now, would you accept an invitation to the eastern region of the UK so that, as the local MEP – and with Elizabeth Truss, a local MP who just happens to be the Secretary of State for Agriculture in the UK – I can show you round? We will take you to meet oilseed rape growers who will relate their experiences of the neonicotinoid ban and its serious environmental consequences. Will you come to my own farm and inspect my wild flower mix that hums with bees in summer and demonstrates the real way to help bees? We could call in at my free-range egg unit so that my poultryman, James Sizeland, can explain the welfare horrors of the impending beak-trimming ban in his own words? We could visit a local herb grower whose business is seriously threatened by the EU pesticide registration rules. We could also demonstrate how difficult it is to comply with the Nitrate Vulnerable Zone (NVZ) rules. Will you be our guest?

4-020

Phil Hogan, *Commissioner-designate.* — Well do not expect me also to farm your land! You have covered a broad range of subjects I should be familiar with on your farm, but unfortunately I have to plead ignorance in relation to the bees and all of the biodiversity in addition to the problems you have on your farm. You are spending too much time here, obviously.

But I will give you a commitment that I will be visiting every Member State and I will give you a commitment that this will include the UK, and hopefully that we will be able to get over any referendum difficulties you might have in the future, and that we will be able to continue to do so over the complete five year term.

You have mentioned some very important issues in relation to real life and real farming challenges that there are on every farm. You have been involved as well as other members of the committee in drawing up the necessary proposals and plans for the next five years as part of the CAP reform and it is in the implementation – the devil is always in the detail. So let us see if we can work together to work some of those out in terms of the commitment I have given to try and harmonise and simplify the process. I will look forward perhaps to visiting maybe some of the farms in the UK, perhaps if I am lucky it might even be yours.

4-021

Diane Dodds (NI). – Commissioner-designate, you are very welcome. The dairy sector – and I welcome your remarks so far on the sector – continues to experience quite a lot of price volatility due to higher world production, market demand being less than anticipated and, of course, the Russian ban. Yesterday, the global trade auction fell once again. What specific steps will you take to protect the dairy industry against further price volatility, and in what circumstances would you consider the introduction of export refunds?

My second question: you also indicate what I think might be tinkering around the edges with CAP implementation in terms of simplification, greening and ecological focus areas. Will you guarantee us a mid-term review that is a root and branch reform of a CAP that is over-burdensome to farmers and not geared towards food production?

4-02

Phil Hogan, Commissioner-designate. – There has been, undoubtedly, significant volatility in the agricultural commodities markets. I am aware, even yesterday, of the 7.3% reduction in milk prices in the global dairy trade. So it is quite a worry, obviously, with the downward pressure on prices. This is the result of a number of factors, as you have pointed out yourself, from the Russian ban, the increased milk output in Europe at the moment because of the favourable conditions of high prices and good weather, and obviously the reduced demand in China cannot be overlooked either, in relation to the problems that we had.

I will certainly indicate to you that the entire toolkit of market measures that have been indicated as part of the common market organisation will be available and have to come under consideration, including export refunds. But a very expensive means of actually dealing with the market is through export refunds, so I will be slow on these, but nevertheless you cannot rule out in relation to any crisis any particular safety measure that is required to protect incomes. There will be a mid-term review of the common agricultural policy – I am giving a commitment on that – once we have the sufficient time and data to be able to do a proper evaluation of the issues you have raised.

4-02

Herbert Dorfmann (PPE). – Herr designierter Kommissar! Ich möchte beim Thema Milch bleiben, und zwar bei der Frage der Milchproduktion in den benachteiligten Gebieten und vor allem in den Berggebieten. Die Kommission hat vor rund zwei Jahren eine Studie über das Auslaufen der Quoten verfasst und dort auch festgestellt, dass die Gefahr besteht, dass es zu einer Konzentration der

Milchproduktion in den Gunstlagen kommt, und dass es eine konkrete Gefahr gibt, dass die Milch aus den Berggebieten und den benachteiligten Gebieten verschwindet.

Auch wir im Parlament haben einen entsprechenden Initiativbericht verfasst, wo wir Maßnahmen vorgestellt und angedacht haben, wie man dieser Situation entgegenwirken könnte. *De facto* ist aber nichts passiert. Die Quoten werden in wenigen Monaten auslaufen, und diese konkrete Gefahr für die Berggebiete besteht, auch für Gebiete, wo es oft kaum Alternativen zur Milchproduktion gibt.

Werden Sie da noch irgendwelche Maßnahmen setzen, oder was halten Sie davon?

4-02

Phil Hogan, *Commissioner-designate.* – The outcome of your negotiations on the CAP reform gave considerable flexibility to Member States through voluntary coupled support, of which – interestingly enough – 27 out of the 28 Member States are going to introduce some measure of voluntary coupled support. There is re-distribution, re-distributive payments; there are the areas of natural constraint – all of those measures in the rural development programme equally have an opportunity to give support to people in peripheral regions.

I am very conscious of the need for jobs in rural communities, particularly in peripheral areas. Dairying or agricultural practice generally is of huge importance towards the maintenance of jobs and employment and social cohesion and social capital in rural areas. So we will certainly be looking at how Member States are implementing the CAP reform measures at the moment to see if they are taking that particular policy principle into account. And let us see how the CAP reform programme is being implemented before we come to any conclusions about the impact that they are having in all areas, including peripheral areas, and if there is a sub-theme – in fact there is a sub-theme already for mountainous areas that Member States can avail of in the rural development programmes.

4-02

Eric Andrieu (S&D). – Monsieur le Président, Monsieur le Commissaire désigné, la volatilité des prix pose de gros problèmes de stabilité des revenus aux agriculteurs. Elle est source de crises agricole et alimentaire.

La politique actuelle du laisser-faire sur les marchés agricoles n'est pas appropriée pour défendre une agriculture compétitive – vous l'avez dit –, durable et génératrice de croissance et d'emploi sur tous les territoires de l'Union.

La remettrez-vous en cause, en prenant des mesures de régulation des marchés et de gestion de crise?

Je ne vais pas revenir sur la question du lait, que M. Dorfmann vient d'évoquer, en particulier dans les territoires fragiles et intermédiaires.

Dans un autre domaine, vous engagerez-vous à faire pleinement respecter la réglementation européenne sur les indications géographiques dans le projet d'accord transatlantique? Et, dans le même sens, vous impliquerez-vous activement dans la défense des indications géographiques, pour le secteur du vin, au sein de l'instance américaine ICANN, chargée de gérer l'attribution des noms de domaines sur l'internet?

4-02

Phil Hogan, Commissioner-designate. – I am very conscious, in the country that you know best, about the importance of this particular subject of geographical indications. Names registered as geographical indications or designations of origin enjoy a very high level of protection against fraud and other misuse in products that are not produced in line with product specifications.

But, as you mentioned, the Commission is engaged in a number of activities aimed at strengthening the capability of the EU control system as a whole to counter food fraud. In particular the Commission, through my colleague in DG SANCO, has established a network of food fraud national contact points intended to exchange information and facilitate administrative cooperation in cases of cross-border violations.

As part of our trade negotiations, you can take it that we are very conscious of this issue. In any negotiations with TTIP, or indeed with other negotiations with Japan or Mercosur, there is certainly always going to be a concentration of time and effort in relation to geographical indications. But I can assure you, in relation to the importance of the wine sector in France and the European Union generally, where 60% of all production is in France, Italy and Spain, that this is going to be a very important issue and we will not be yielding ground to the United States or any other countries in relation to negotiations. Geographical indication is a very important measure.

4-027

Janusz Wojciechowski (ECR). – Commissioner-designate, you devoted ten seconds of your speech to the Russian import ban. We have a huge problem and are experiencing a deep crisis as a consequence of this ban, and this is particularly the case in Russia's neighbouring countries, such as Finland, the Baltic States and Poland. My question is: are you going to use the crisis reserve created by Article 25 of Regulation (EU) No 1306/2013? It is absolutely vital that this crisis reserve is used. This idea was broadly welcomed by the participants of the debate during the plenary session in Strasbourg. What is your position on this issue? Polish farmers have so far received nothing.

4-028

Phil Hogan, *Commissioner-designate.* – First of all, let me clarify that the crisis measures taken so far will lead to expenditure in budget year 2015, not in 2014. So we will need to see the financing of these measures in the context of 2015, and we will know by 15 October. The Commission will update its estimates for agricultural expenditure for 2015 that will take account of the latest developments, in particular the crisis measures that have been taken so far. In the Council meeting in Milan this week there has been a debate about this issue as well, and there is not agreement reached in relation to additional support, although Commissioner Cioloş has indicated EUR 165 million of additional financial support.

The crisis reserve is a reserve that is drawn up by farmers for farmers, and it will mean that, when we actually wish to take money out of that crisis reserve, we are actually taking money out of all farmers in terms of their direct payments. So I think that this is an issue that is a European-wide issue. It is an issue created by a foreign policy decision that should not be totally at the door of the agricultural budget in order to finance. So I will be working with the College of Commissioners to see what can be done to ensure that this particular reserve is protected as far as possible – but equally in the context of a foreign policy decision that has been made – that activation measures that should be financed from special funds.

4-02

Jens Rohde (ALDE). – Mr Hogan, I am a bit split – should I ask my first question again, that you did not answer, about the uneven implementation? Or should I move forward to another important topic that needs your attention? I will choose my second option, but you will be faced with my first question every time we meet during the next five years. I can assure you of that.

My second question is about opening new markets, and that is very important in the current situation. In Denmark we have strong tradition within the Ministry of Agriculture and other public agricultural bodies to not only use our civil servants as controllers of rightful implementation but also as ambassadors for the agricultural sectors and thus in helping the sector to enter and open new markets. This is exactly what Europe needs in the current situation. So I will ask you: are you willing to take

the lead in creating a new culture in the Commission in which the employees and experts play an active instead of a defensive role when it comes to creating and opening new markets?

4-030

Phil Hogan, Commissioner-designate. – The answer to that is yes. I will be taking an active role personally, and I expect that all the departments available to me will be taking the same active role in ensuring that we diversify our markets.

We cannot resolve all of the geopolitical problems that we have – in the Middle East and in relation to the Russia/Ukraine crisis – with regard to the importance of diversifying and opening new markets. We need everybody on board, irrespective of their status or what representation they have at the moment. There is a need for better coordination in relation to promoting our access to markets.

That does not mean that we will always be successful but at least we are going to try to ensure that we do not rely on regions that are politically particularly difficult at the moment in seeking to ensure that the price to the producer, in a liberalised market under the common market organisation, is available. And as I said earlier, we have the safety net in moments of crisis, in order to deal with those, and I intend to use the full toolkit of those particular market measures in the context of crises.

On market promotion – we have additional funds of about EUR 30 million per annum available for the next five years to help us in coordinating better and opening new markets, and I intend to do that.

4-03

Matt Carthy (GUE/NGL). – Commissioner-designate, Members will have learned of your interventions regarding individual housing applicants while you were Minister with senior responsibility for housing in Ireland. Arising from that case, can you confirm to the committee how many political opponents and how many media outlets and/or journalists received legal letters from you in this regard?

You will also be aware that, in the Irish Parliament, serious charges have been raised regarding your decision as Minister to shut down an inquiry initiated by your predecessor into alleged planning irregularities in seven local authority areas. This week it transpired that you misled the Irish public over your knowledge of a EUR 50 million spend on consultancy fees by a company you established – Irish Water.

Given the likelihood of future tribunals and inquiries into these issues and others, and given the level of legal actions that have been initiated by you, do you believe that you will have the time and concentration to be able to focus on your job as Commissioner?

4-03

Phil Hogan, Commissioner-designate. – First of all, I know that you are a new Member in parliamentary politics but I have spent 27 years as a Member of the Irish Parliament. I know what parliamentary privilege is and I know what it is not.

You would expect politicians to defend themselves if they are defamed: that is what I intend to do and that is what I have done. But, as I said earlier in answer to a question, I will fully cooperate with this committee in terms of proportionality, accountability and transparency in relation to my role, and particularly to the EUR 58 billion budget for this particular policy.

I did not shut down any inquiry: in fact, another ministry had the delegated function for that particular inquiry, so you obviously have the wrong person in the wrong place at the wrong time. EUR 50 million was the indicative initial expenditure in Irish Water for hardware, software and all of the programmes that you would require to set up a new entity with the aim of ensuring better water quality and greater quantities of water available to the Irish people in the future. If you are going to set

up a new system it costs money to do so. It has been independently evaluated by the Commission on Energy Regulation and, of the total of EUR 180 million spent and allocated, EUR 172.8 million has been deemed to be appropriate. So that is not a bad record.

Could I draw to your attention as well – and I know you are against Europe and you are also against my nomination – to a wonderful letter from your colleague in Northern Ireland, the Minister for Agriculture, who is a Sinn Féin member: 'Dear Phil, congratulations on your nomination as European Commissioner for Agriculture, it is a prestigious portfolio. It is a highly significant honour both nationally and at a personal level. Once you have taken up your post I will welcome an early meeting with you to discuss areas of mutual interest and to develop and maintain an effective working relationship. I know that you are keenly aware of the importance of agriculture in the North and some of the key challenges we face.' All I can say is that there seems to be a little breakdown in discipline in Sinn Féin, and I hope that you will not get into trouble over it.

4-033

Bronis Ropė (Verts/ALE). – Gerbiamas paskirtasis Komisijos nary, Jūs planuojate peržiūrėti laikotarpio viduryje bendrą žemės ūkio politiką. Tačiau ar Jums neatrodo, kad labai aktualu būtų sušvelninti esančius žemdirbių išmokų lygių skirtumus Europos Sąjungoje? Apie tai kalbėjo ir Komisijos vadovas ponas J.-C. Junckeris prieš paskyrimą. Trijų Baltijos šalių ir Rumunijos ūkininkų išmokos yra gerokai žemesnės nei Europos Sąjungos šalių vidurkis, bet žemės ūkio veiklos kaštai, pvz., Baltijos šalyse, nesiskiria nuo kaštų kitose Europos Sąjungos šalyse. Energetiniai kaštai pas mus netgi didesni. Techniką taip pat perkame ta pačia kaina. Lieka, žinoma, taupyti darbo jėgos, žmonių sąskaita. Tai skatina pakankamai didelę emigraciją, skurdą, regionų atsilikimą. Uždarbių vidurkiai yra prasčiausi būtent mūsų šalyse. Susidaro užburtas ratas. Taip pat Jūs nieko nepaminėjote savo pristatymo kalboje apie kiaulių maro problemą, kuri yra pakankamai didelė atskirose šalyse ir didėja.

4-034

Phil Hogan, Commissioner-designate. – I do accept that the CAP reform is a big step in the right direction in terms of internal and external convergence. We are making progress towards a more equitable distribution of funding between farmers and between countries, and this will continue, particularly as the link to historical payments is reduced.

While the level of convergence amongst farmers originally proposed by the Commission was not achieved, there was a significant amount of change made in the Parliament and in the Council and significant progress all the same was made towards a more equitable distribution of payments within regions. The autonomy and the flexibility that have been given to Member States are able to assist small farmers and are able to assist people in mountainous and peripheral regions, as I mentioned earlier, in order to close the income gap as well.

So, I hope that we will continue as part of the review to ensure that we have a viable farm industry, that we can maximise the basic income at least, and the market opportunities on top of that, to ensure that farmers are able to grow as much as they can, notwithstanding the fact that 69% of farms are less than 5 hectares, which is quite a structural problem in some parts and in some regions. We will hopefully be in a position with the reforms that are being implemented in each Member State to be able to look at what particular policy instruments each Member State has decided to implement, and learn from that particular process in the context of any future mid-term review.

4-03

Giulia Moi (EFDD). – Grazie Presidente, la politica agricola comune, così come è stata designata dalla Commissione e da questo Parlamento, non ha avuto l'impatto aspettato: corruzione e criminalità organizzata hanno gestito l'implementazione dei pagamenti diretti in molti Stati membri, tra i quali l'Italia, specie se si tratta di *lobby* agricole che assieme ad esperti regionali e consulenti politici hanno sfavorito le PMI del settore.

Come il Commissario designato pensa di risolvere questo problema?

Come verranno gestite le distribuzioni dirette agli agricoltori?

Chi garantirà e come che i modelli di distribuzione non cedano a interessi criminali e clientelari, così com'è avvenuto e sta avvenendo, per esempio, tutt'oggi in Italia?

Esistono sistemi di sanzioni efficaci da poter applicare contro tali abusi?

Inoltre, come intende tutelare dalle truffe le produzioni locali e nazionali come, per esempio, il *made in Italy*?

4-036

Phil Hogan, Commissioner-designate. – I was not aware of the administrative difficulties you have just described in Italy in deploying financial support and implementing the programmes, or of political and criminal pressure being applied. Certainly I would be glad to hear more about that in relation to future implementation of policies.

What the common agricultural policy has been setting out to do is to find a way in which we can feed the European population, in the first instance, and then try to help feed the world's population, because of the increasing pressure there will be on the planet in relation to the increased population and environmental pressures. We have been conscious of the scarcity of our resources and of the climate change issues. So we have introduced flexibility under the rural development programme and for the Member States, in so as far as possible, through the principle of subsidiarity, to manage these issues in each particular area.

'One size fits all' is not going to work – hence the flexibility that you have been given in the regional plans and in your rural development plans, which are now before the Commission and subject to evaluation. We hope that we will be able to assist you with the unit that has been established in the Commission to assist Member States in terms of implementation. If there are any difficulties, you will be able to bring them to our attention and, if we can assist, I am sure we will be able to put you in line for maximum assistance.

4-037

Gianluca Buonanno (NI). – Grazie, grazie signor Commissario designato. Parlo anche a nome di Ferrand e Loiseau che sono oggi a Cournon nel più grande appuntamento nel settore dell'allevamento. Io le chiedo, signor Commissario designato, per i piccoli, per i tanti piccoli, dagli allevatori a quelli che lavorano nell'ortofrutta ai risicoltori, che cosa intende fare per cercare di tutelarli?

Perché quest'Europa vediamo che alla fine tutela sempre quelli grandi e quelli piccoli si dimenticano e poi succede quello che succede, cioè molti di loro addirittura si sono suicidati perché non hanno più la forza di andare avanti o le regole che mette l'Europa portano sicuramente a un'ulteriore difficoltà che in aggiunta alla crisi, che c'è a livello mondiale anche nell'ambito agricolo, non produce nulla di buono.

Poi, ovviamente lei ha una grande difficoltà perché il fardello lasciato dai suoi predecessori con una politica agricola europea demenziale ha portato un risultato che oggi vediamo.

Le chiedo anche e spero che lei non sia un travestito europeo e poi sotto, magari, è un asiatico, perché noi abbiamo bisogno di politiche europee che difendano l'Europa, non l'Asia!

4-038

Phil Hogan, *Commissioner-designate.* – Like any particular new reform, it is going to take some time for implementation, and everybody, to a greater or lesser extent, worries about change. It is a cultural thing. In the country I know best it is the same.

Equally, however, we cannot stand still, and the direction the common agricultural policy (CAP) has taken since 1992 is away from price support and towards income support. It is towards a market-orientated policy, and I agree with that. We then have to be cognisant of, and to acknowledge when concluding trade agreements bilaterally and collectively with various countries, the huge and important contribution Europe can make to food security in the future.

By maintaining viable farm holdings as far as possible, with the basic income support that we have given in the reform, by ensuring that we have environmental sustainability – even though some people would say we could do more – and, thirdly, by means of the market support we give through the various measures, I think we will ensure that the European Union is competitive and is actually in a position to trade internationally successfully and to open new market opportunities, particularly in geopolitical regions other than the ones that are under scrutiny at the moment in Russia, Ukraine and in the Middle East.

I look forward to seeing how this reform will work in practice, and we will be in a better position to judge in one or two years' time and to see what changes may be needed to improve the situation.

4-039

Peter Jahr (PPE). – What can I say? For me, the direction of the last reform is something in between that means a little less money and more paperwork and I would say that should not be our political target.

4-040

Vor diesem Hintergrund möchte ich Sie fragen: Welche konkreten Schritte planen Sie, um die Gemeinsame Agrarpolitik zu vereinfachen und zu entbürokratisieren? Wie ist Ihre Meinung zum Screening in der 1. Säule? Sollten wir dieses Thema in der Neubewertung nochmals diskutieren? Wären Sie in dem Zusammenhang auch bereit, die Reformvorschläge unseres geschätzten Kollegen Albert Deß nochmals aufzugreifen? Immerhin hatten wir einen Entschließungsbeschluss unseres Parlaments in der Hinsicht, der dann aus meiner Sicht nur ungenügend von der Kommission und dann vom Rat letztendlich aufgegriffen worden ist.

4-04

Phil Hogan, *Commissioner-designate.* – First of all on the communication: there is certainly a view being expressed that we need to look at better communication between the services and Parliament. I want to fully acknowledge this particular issue and to engage with the leadership of the groups to see what we can do to improve communications.

I – as a public representative of 32 years – understand politicians. I want to work with politicians, because you have to report back to your constituents and your constituencies on a regular basis about how these measures are being implemented in a very open and transparent way. There are administrative rules governing the working relationship between the Cabinet and the DGs, and there will be new rules for the new Commission. Now is a good opportunity at the beginning of a new mandate to see how we can work closely together. I have already noticed that, in the special policy areas, there is a gap for Parliament's Committee on Agriculture and Rural Development or indeed other committees on how we can actually be in there at the early stage of developing a proposal.

All I can do is to indicate to you that I have given you a commitment that, very early on in my mandate, I will try to engage with screening and simplifying the CAP. I do not know how successful that will be, but it is not simple, as I said earlier in my speech. But we will try, and I look forward to working closely with the examples that I am sure you will bring from the countries that you know best.

On the greening proposal: you made a declaration last April asking us to actually look at greening and look at the ecological focus areas and look at practical implementation. When we have sufficient data

to be able to carry out a very thorough review of this, I will be very glad to engage in all the proposals that have been mentioned, including the report of Mr Dess and including the various representations which have already been made to me in relation to practical implementation at Member State level. Member States have to work with the Commission on implementation, and I will give the Commission the resources to do that.

4-042

Clara Eugenia Aguilera García (S&D). – Señor Hogan, las prácticas comerciales desleales están convirtiendo en sistémico el desequilibrio de la cadena alimentaria. El sistema de contratos que ofrece la OCM única a algunos sectores no está dando los resultados esperados. ¿Qué iniciativas piensa tomar frente a sus colegas de Competencia y Mercado para mejorar el poder de negociación de los agricultores en la cadena de valor?

Hay dos sectores, además, fundamentales para la agricultura del sur de Europa: aceite de oliva, y frutas y hortalizas, producciones de las que depende el tejido social de las regiones productoras. La OCM en frutas y hortalizas ha funcionado bien y no requiere grandes cambios. ¿Qué mejoras considera usted que podrían reforzar la competitividad de este sector, que suele ser moneda de cambio en los acuerdos comerciales de la Unión Europea? Y en aceite de oliva: ¿va a concluir la aplicación del plan de actuación para el aceite de oliva europeo iniciado por su antecesor hace dos años?

4-043

Phil Hogan, *Commissioner-designate.* – I would like to fully associate myself with the remarks made by my colleague Ms Malmström during her hearing that trade policy touches on people's lives and is an important part of Europe's economic success, and it has driven recoveries in countries like Spain and Ireland. She has called for increased efforts on transparency, and I support that fully. She gave a commitment to publish lists of correspondence responded to by her to outside organisations on the TTIP concerns, and I wish that the United States would do the same. But the European Union is certainly going to do everything it possibly can to ensure that there is no secrecy, there is greater transparency and that everybody knows what are the issues on the table in relation to these TTIP negotiations.

I am familiar with the reforms of the fruit and vegetable scheme, and there is certainly now financial support for rural development and direct payments available to fruit and vegetable growers. There is a need for greater support for producer organisations, and the reforms that I understand are about to be brought forward by the Commission will certainly bring about greater integration of supports for the fruit and vegetable sector. Olive oil is not a big issue in the country I know best, but I am beginning to learn a little bit more about olive oil in recent times.

I will look forward to working closely with the reform of the sector, Mr García, and I am sure that you will be very well able to bring me to a good position in relation to the issues of importance for, particularly, countries in the southern region.

4-04

Beata Barbara Gosiewska (ECR). – Panie Przewodniczący! Panie Hogan! Ze względu na krótki czas poruszę problemy tylko hasłowo i oczekuję zwięzłych, konkretnych odpowiedzi.

Czy widzi Pan możliwość zwiększenia płatności bezpośrednich dla polskich rolników jeszcze w okresie programowania do 2020 r. i zrównanie ich chociażby z gospodarującymi w podobnych warunkach glebowo-klimatycznych rolnikami z Niemiec?

Druga sprawa to embargo rosyjskie i sytuacje kryzysowe. Czy wyciągnie Pan wnioski z błędów poprzedników i będzie Pan reagował szybko, konkretnie, skutecznie i adekwatnie do strat ponoszonych przez producentów rolnych?

Trzecia sprawa dotyczy kwot mlecznych. Czy jest Pan za przywróceniem kwot mlecznych i za zwolnieniem z płacenia kar w końcowym okresie kwotowania?

Kolejną sprawą jest afrykański pomór świń. Czy Komisja widzi możliwość rekompensat adekwatnych do strat rolników?

I ostatnie moje pytanie: jakie jest Pana stanowisko w sprawie GMO?

4-04

Phil Hogan, Commissioner-designate. – I do not expect that I will be able to solve all the problems that you have mentioned in the next five years. The CAP reform is a big step in the right direction in terms of convergence – both external and internal. But let us not get into the old debate. I am sure that you have had that debate in the last five years, particularly on the CAP reform, but I am certainly prepared to look at – in the context of the mid-term review – how we can actually ensure that we have viable farm holdings, given that 69% of our holdings are less than five hectares.

That is a big structural issue that countries have to grapple with in the context of food security and food production. The support that you get for producer groups and the support that you get under the rural development programme – all of these issues actually come into play. Member States, including your own Member State, have a considerable amount of autonomy themselves in order to target resources through voluntary coupled support for sectors that are under pressure in various regions. I look forward to reading the submission that your country has made to the Commission to see what particular instruments they are using in order to ensure that they are assisting even more of the farmers about whom you are concerned.

We need to take into account that, for certain Member States, support from direct payments will significantly increase compared to its current level. By 2020, the Member States will be much closer than they are nowadays. It is a big step forward.

On milk quotas: I am in favour of the abolition of milk quotas. The market measures are in place to ensure that – in cases of market instability or of any difficulties – we have aid to private storage. We see all of the issues that have been used in recent times in the context of the Russian ban to deal with those particular problems. Those measures continue to be there. I am very conscious of the particular difficulty that the eastern countries have had with, in particular, the Russian/Ukrainian ban. Commissioner Cioloş is doing everything he possibly can to find the money to assist and target support.

4-046

Jan Huitema (ALDE). – Commissioner-designate, I believe we need to make the CAP more focused on innovation and facilitate entrepreneurship. If we fail to do this, we as Europe will lose our competitive advantage. Farmers that are innovative are often obstructed by red tape. A prime example is the Nitrates Directive that dates back to 1991. I agree that there is a limit for nitrogen concentration in the groundwater, but it should be the responsibility of the farmer himself how to comply. I therefore disagree with the fact that it is forbidden to use more than 170 kg of nitrogen from livestock manure per hectare of farmland. Efficient, innovative farmers with high crop yields are being obstructed. Next to this, how can you explain to a livestock farmer that he cannot use his own animal manure but that he is allowed to use artificial fertiliser instead? Could the Commissioner-designate give three concrete examples of how he is going to cut red tape for farmers in order to enhance entrepreneurship?

The second question is: how will the Commissioner-designate ensure that the interest of the agriculture sector is grounded within the College of Commissioners?

4-04

Phil Hogan, Commissioner-designate. – Even though the financing for the common agricultural policy and farming has been reducing in terms of budget, as Mr Nicholson pointed out earlier, it is still a very important component of the EU budget -38% of the total. It is a major contributor to jobs, to food security and to rural development.

The central position of food is now taken more seriously by all Commissioners because we have seen the demise of the construction sector and many other sectors in which people from rural areas were able to get employment. That is no longer the case, and we rely more and more on the entrepreneurship of young farmers who are now going back to the college. It is wonderful to see; it is a great new story for rural Ireland to see the colleges full of young people who wish to go back to farming.

It has become a very important industry again in terms of diversification, and I want to see how we can use the funds that we have at the moment to leverage more support in other Commissioners' areas – like Horizon 2020 and like the financial products we can leverage to improve rural development, with economic outside-farm-gate measures that will generate support in rural areas. These are the ways in which we are seeing not just what we can do with the 38% of the budget we have but also how that can leverage more money across the board from the Commission – and maybe we have some ideas that could assist in that.

In relation to the Nitrates Directive, we have to understand that there is a balance to be struck between productivity and good solid environmental sustainability and management. There are 40% of our soils in Europe under pressure, and 45% of our water resources under pressure. So, on the one hand, we are trying to give support for irrigation measures in certain parts of Europe and, on the other hand, we are not doing enough to protect our existing water resources. There is a balance to be struck and I do not think that the farmer is in the best position under cross-compliance. As long as the inspection levels are not too high, we should ensure that cross-compliance is able, in a good, simplified way, to meet the objectives under the Nitrates Directive.

4-048

Luke Ming Flanagan (GUE/NGL). – Welcome, Phil. I know you said you want to work with all politicians, and I have to say that is progress because you did state in the Irish media that people like myself and Matt Carthy and many other MEPs from Ireland were irrelevant and we were on the fringes. You mentioned convergence, and it had been proposed that Member States move towards uniform rates of payment per hectare by 2019, but Ireland has adopted a partial convergence model. This has resulted in a situation whereby the richest 20% will continue to get close on 80% of the payments. You mentioned a mid-term review, and you have a history of helping out your cronies, as reported this morning in the Irish media, when you pressurised officials at Irish Water to employ your friends. Will you continue this trend by leaving the majority of CAP with the ranchers and the millionaires, or will you do what should be done and what CAP was meant to do, and bring it back to the ordinary people?

4-04

Phil Hogan, Commissioner-designate. – I would like to thank the Member for his brevity.

The first issue mentioned was about making representations, the same as every other public representative does, in order to try and get people jobs in the public sector or the private sector: I do that as a representative politician. I am sure that you – as a Member of the Irish Parliament and a Member of the European Parliament – are already very used to the notion that you do actually try and help people to get employment. Unfortunately in the case you mentioned, when I sent some CVs into Irish Water none of them got a job so I must be losing my influence over the company that I helped to establish.

A very large proportion of EU farmers are classified as small farmers. I agree absolutely that there is an administrative burden to be dealt with here and I mentioned that earlier to various speakers. However, I do not subscribe to the notion that small farmers are being excluded from the process. There is convergence under way, externally and internally, and it is the reform of the CAP that is making sure of that.

We have a basic income support now for small farmers. In addition to that, under rural development measures, they will be able to get up to EUR 5 000 extra for doing good environmental practice. I am sure, as a fellow environmentalist, that you will actually agree with that.

Thirdly, the reforms that are being carried out allow the Member State additional support through voluntary coupled support in peripheral areas for sectors – perhaps like sheep – that may not be doing too well on the market at moment. The Member State has the capacity and flexibility to do a lot of things to assist people in peripheral areas, including small farmers.

I know that you will support, in every possible way, every measure that we will put forward in order to ensure that we have continued convergence in the European Union in terms of the implementation of CAP in the years ahead. In the mid-term review, if you and I are still here, we will certainly look forward to that debate.

4-050

Jordi Sebastià (Verts/ALE). – Señor Hogan, pedía usted antes datos. Yo le voy a dar algunos. Los agricultores convencionales han sufrido un aumento del 40 % en el coste del producto final entre 2000 y 2010, según Eurostat. Los fertilizantes han subido un 80 %; la alimentación animal, un 30 %; y los pesticidas, un 13 %. Está claro que quien se lleva los beneficios en este modelo de agronegocio no es el agricultor. Cuando tenemos a nuestra disposición nuevas y sólidas técnicas agronómicas y enfoques agroecológicos que podrían hacer esto mismo, pero gratis, y contribuir, además, a mejorar el medio ambiente, ¿va usted a apoyar, de verdad, un modelo de agricultura sostenible o va a ser el comisario del agronegocio?

Por otra parte, hablaba usted de los productores de frutas y verduras del sur. Están muy decepcionados con la PAC. Se sienten totalmente desamparados. Los precios de algunos de sus productos han bajado durante los últimos diez años y no paran de bajar. Yo soy un europeísta convencido, pero necesito argumentos. ¿Qué va a hacer Europa, qué va a hacer usted, para ayudarles? Porque, si no, se van a continuar sintiendo muy desamparados.

4-05

Phil Hogan, *Commissioner-designate.* – I am certainly going to support a sustainable agricultural model. I advocated that in my opening remarks and in some of the responses I have given. We cannot have active agriculture without having good water quality, good soil quality and all of the environmental sustainability measures to go with that.

Knowledge transfer is critically important and there is a new source of financial support through Agricultural Productivity and Sustainability – an initiative that has been taken by Commissioner Cioloş to advance knowledge and innovation in technology that will assist us in making sure that agriculture continues on the sustainable path.

There will always be a debate about short-term measures but the long term is what you are speaking about, and I think everybody should agree with that particular principle of long-term sustainability.

The Commission reacted quickly to the threat of disruption caused by the Russian ban. Firstly, because of the reforms that you agreed to, we were in a position for the Commission itself – without going through the legislative process – to speed-up some of the measures targeted at people who were under pressure: aids to private storage; opening intervention. The fruit and vegetable sector was the

Commissioner's first priority because of the perishable nature of the products and because important quantities are exported to Russia.

There is a review being carried out of the fruit and vegetable programme. We will be bringing proposals for discussion to the parliamentary committee here in 2015 and I look forward to seeing what your suggestions are about: how we can simplify or harmonise the arrangements, or have better support for producer organisations in a more integrated way to deal with those issues. But I do not accept for one minute that nothing has been done.

4-05

Marco Zullo (EFDD). – Il Movimento dal quale provengo crede in un'Europa al servizio del cittadino, per fare questo abbiamo bisogno di un mercato interno omogeneo e funzionante.

Lei ha parlato di agricoltura orientata al mercato, ma la crisi dovuta all'embargo russo e gli studi condotti sull'impatto del TTIP stanno mettendo alla luce che siamo distanti da questo obiettivo: in particolare assistiamo alla concorrenza tra Stati membri all'interno del mercato europeo riguardo alle stesse tipologie di prodotto, a un non adeguato sostegno al mantenimento di una domanda costante da parte dei consumatori europei.

In vista della revisione della PAC, non crede si debbano tutelare sì gli agricoltori, ma anche i consumatori e, in particolare, pianificando una strategia che indirizzi la produzione prima invece di correggerla dopo, in modo da garantire che la sussistenza dell'Unione non venga messa in pericolo da fattori esterni? In sostanza, sappiamo in che direzione vogliamo andare?

4-05

Phil Hogan, *Commissioner-designate.* – Presently there is an export-import balance in relation to food in the European Union. That has not always been the case and we cannot totally predict what will happen in the future, but the EU was the world's largest exporter and importer of agri-food products in 2013, largely to the United States, Russia and China.

The challenge now for this mandate is how we are going to diversify from geopolitically difficult areas in order to ensure that we maintain the type of level of exports that we have at the moment. Food security is important, not just for the European Union but for the global population, and Europe is at a distinctive advantage in feeding the world's population. So how we can diversify into other markets to remove ourselves away from the geopolitical problematic areas is going to be the challenge, but we will safeguard our standards and we will certainly have a comprehensive deal, not just a deal in tariffs. That is my particular view on it and I will be working closely with Commissioner Malmström to ensure that happens.

But the level of reform that is about to be implemented from 1 January 2015 is actually going to ensure that we have a viable farming situation with a basic income threshold. We have environmental sustainability and we have means of production that will actually ensure, with new technologies, that we will be able to produce more for the rising population requirements for the future in a diversified market sense. I hope to be able to lead trade delegations to enter into bilateral negotiations with countries where we can offer products in more stable political situations in the future to ensure that our producers know that they have a market opportunity to do so. We have the safety net,—as I said earlier, if there is a crisis — and from time to time there will be — and certain elements in the safety net will be able to assist us to give protection to the producers of food in the European Union.

4-05

Elisabeth Köstinger (PPE). – Ich darf meine Frage als Berichterstatterin des Parlaments zur neuen europäischen Forststrategie an Sie richten. Sie wissen, dass die Forstwirtschaft ein entscheidender Wirtschaftsfaktor und Arbeitsmotor in der EU ist. Gleichzeitig leistet professionelle und nachhaltige Waldbewirtschaftung einen wichtigen Beitrag für die Erhaltung der Landschaften sowie zum Klima-

und Umweltschutz. Vor allem die über zwei Millionen privaten Waldbesitzer sind der beste Garant für Lebensqualität, Arbeitsplätze und Wertschöpfung im ländlichen Raum. Die neue europäische Forststrategie darf nicht nur ein Lippenbekenntnis sein, sondern muss ganz konkret die Wettbewerbsfähigkeit der Forstwirtschaft fördern, Aus- und Weiterbildung unterstützen und eine breite Bewusstseinsbildung über die vielfältige Bedeutung des Waldes vorantreiben.

Deshalb meine Frage: Welche Schwerpunkte werden Sie in Ihrem Arbeitsprogramm setzen, um die Forstwirtschaft in ihren Leistungen für Wirtschaft und Umwelt zu unterstützen? Und vor allem: Kann die europäische Forstwirtschaft sich darauf verlassen, dass Sie die Regionalität des Forstsektors im Sinne des Subsidiaritätsprinzips auch respektieren werden?

4-05

Phil Hogan, Commissioner-designate. – Forestry is a hugely important competence and it covers 50% of our total territories, so it is certainly a very important area where we can have a lot more opportunities for job creation and a lot more opportunities through agri-environment measures that would actually sustain a tourism product in many of our Member States. I should indicate, of course, that we do not have a common forestry policy, but we have an EU forest strategy thanks to the work that you are doing as rapporteur and the work that the committee is doing.

The implementation of this forest strategy should be a joint effort of the Commission and the Member States, and I would hope that we can prepare a multiannual implementation plan focusing on the priorities where action at EU level can be of common benefit, while respecting subsidiarity.

The rural development regulation is the main EU instrument, as you know, to implement the strategy and it already provides a coherent set of measures which hopefully we can add to in order to support sustainable forest management. As Commissioner I will ensure that particular attention is paid to the implementation of the forest measures within the rural development programme.

4-056

Viorica Dăncilă (S&D). – Domnule comisar desemnat, politica agricolă comună s-a adresat tinerilor fermieri, dar, în opinia mea, nu suficient. Dacă ne uităm la cifre, în Uniunea Europeană și în țara de unde provin eu, România, se poate observa că procentul tinerilor sub 35 de ani angajați în sectorul agricol este foarte mic, reprezentând doar 7,3%.

Cum veți încuraja tinerii să se implice în sectorul agricol? Care sunt măsurile pe care le veți adopta pentru a încuraja tinerii să rămână în mediul rural, dar și pentru a stimula transferul acestora din zonele urbane către zonele rurale? Cum vedeți relația cu Consiliul european al tinerilor agricultori?

4-057

Phil Hogan, Commissioner-designate. – I know that the European Parliament played a very active role in the common agricultural policy reforms. When the Council wanted the 25% direct payment top-up for young farmers to be voluntary for the Member States, you stood firm with the Commission and insisted that this should be compulsory in all Member States. I welcome that particular development.

The measures introduced to support young farmers under 40 will directly help the viability of many rural areas, now that there is a completely different scenario with agriculture in terms of its professionalism and in terms of its opportunities vis-à-vis other sectors, such as construction.

We have to ensure that we maximise the opportunities for our young farmers so that they can get into leadership roles on their farms as quickly as possible. I am particularly pleased that the agricultural education initiatives and colleges right around the European Union are full of people that wish to become professional farmers and full-time farmers again.

When young farmers get the 25% top-up on their basic payment for the first five years of installation it is compulsory and funded out of the 2% of the NDP. In addition to that there are supports for young farmers under the new rural development programmes, where the focus is on measures supporting young farmers who are setting up for the first time.

Equally, there are economic opportunities available for young farmers through the rural development programme. I would hope – if they can get access to the particular financial support in the financial institutions to help them co-finance those proposals – that the rural development programmes under Leader will be able to help many young people to open up economic and job opportunities for themselves.

So we are also working on proposals with the European Investment Bank and the financial institutions to provide the necessary co-financing support to help draw down those particular rural development measures to assist young people to become employed in the rural areas in the interests of social cohesion and in the interests of viable rural areas.

4-059

James Nicholson (ECR). – Commissioner-designate, I would like to ask you a very specific question on sheep EID. This issue is very important to farmers throughout the United Kingdom. It also illustrates a wider concern on the proportionality of penalties. Lost tags and failed electronic readers are leading to heavy fines across the whole single farm payment scheme for many farmers. Can you assure me that you will give this issue your close attention, listen to farmers first rather than your officials, and find a solution once and for all in the mid-term review?

4-059

Phil Hogan, *Commissioner-designate.* – I will work closely with you, Mr Nicholson, and others who have this particular problem. It seems to be a particularly UK problem in relation to sheep tags being lost. As you know, DG SANCO has a very important role to play in terms of livestock movements. We have, I hope, learned considerable lessons, particularly in areas that you and I know very well in the Republic and in the North, where sheep could not be found too well when their compensation terms had to be found, in the BSE outbreak and all of these issues in 1996.

So we have a come a long way, the European Union, in terms of traceability. We have come a long way in terms of standards. I do not think anybody, including you, would be advocating that we reduce those standards in any way. They give us a competitive advantage, they give us a market opportunity and they ensure that we have clean, safe food for our consumers, which is hugely important from the point of view of food producers. But tags on sheep is an issue that I would be glad to engage in with you as part of the mid-term review.

4-06

Ulrike Müller (ALDE). – Die europäische Land- und Forstwirtschaft ist noch immer einer der wichtigsten Faktoren für Beschäftigungs- und Einkommenssicherung im ländlichen Raum. Sie sichert auch unzählige Arbeitsplätze im vor- und nachgelagerten Bereich, Handwerk und Dienstleistungssektor. Durch überbordende Bürokratie und immer neue Auflagen werden gerade die familiengeführten kleinen mittelständischen Betriebe mehr und mehr aus der Produktion gedrängt und überfordert.

Wo sehen Sie Möglichkeiten der Verwaltungsvereinfachung, und in welcher Weise wollen Sie Belange der landwirtschaftlichen Betriebe bei ressortüberschneidenden Zielsetzungen, wie z. B. Natura 2000 oder Vorgaben zur Umsetzung der Nitratrichtlinie, gegenüber anderen Kommissaren und Generaldirektionen künftig besser zur Geltung bringen?

Wie wollen Sie sicherstellen, dass bei der künftigen Agrarpolitik die Nahrungsmittelproduktion an erster Stelle steht und Eigentum weiter geschützt wird?

4-061

Phil Hogan, Commissioner-designate. — Well obviously, if you are going to promote the concept of food security, you have to do so by incentivising producers but at the same time providing the opportunity for more markets, diversified markets from the sensitive areas that we have at the moment. Equally, you will be aware, and I have said this in the last while, environmental sustainability is the only way forward. Because it does not make sense to have difficulties for soil. It does not make sense to have difficulties for water courses, and at the same time we have an aspiration for food productivity and food security.

But there is a balance to be struck in a practical way. I am a practical, common-sense individual. I have worked closely with sectors to ensure that we make progress, but sometimes it is more incremental than others. But we will be glad to sit down as part of the simplification agenda — which is my first priority — to see what we can do to reduce the administrative burdens but equally, simplify the regulations and legislation without compromising the policy or the issues around sound financial management of the European Union. I think if we engage in that way we will be able to meet the needs of what you suggest.

I would point out to you that 40% of the total budget of the rural development programmes is already going on agri-environment measures, and I hope that that will continue to be taken up in the Member States to the large extent that it has been in the last round.

4-062

Εμμανουήλ Γλέζος (GUE/NGL). – Πρώτη ερώτηση: στην Ελλάδα με τη χλωρίδα των έξι χιλιάδων και πλέον ειδών τα χίλια είδη είναι ενδημικά, όπως π.χ. η μαστίχα της Χίου, η σταφίδα της Κορίνθου, το σταμναγκάθι και το δίκταμο της Κρήτης. Στη Νάξο εκτός από τις πατάτες ευδοκιμεί και το κίτρο. Κατ' εντολή όμως της κυρίας Merkel μας έφεραν ένα ψεύτικο φυτό με σιδερένιες ρίζες και γυάλινα άνθη, τα φωτοβολταϊκά. Γέμισε η Ελλάδα με αυτό το σιδερένιο φυτό που εκτόπισε καλλιέργειες που μας εξασφάλιζαν ελαιόλαδο, οπωροκηπευτικά και σιτηρά. Τι θα κάνετε για να επανέλθει η καλλιεργήσιμη γη στον προορισμό της; Θα έρθετε να ξεριζώσουμε μαζί αυτό το σιδερένιο φυτό;

Δεύτερη ερώτηση: ως Υπουργός Αγροτικής Ανάπτυξης στην Ιρλανδία, κάνατε μεταρρυθμίσεις που οδήγησαν στη μείωση των κονδυλίων για το πρόγραμμα «Leader». Τι θα κάνετε τώρα ως Επίτροπος για την ενίσχυση αυτού του προγράμματος;

4-063

Phil Hogan, Commissioner-designate. – Certainly, during the course of my time as Minister in Ireland I tried to reduce the administrative burden and red tape on people. In relation to island populations that you have mentioned specifically, there is a scheme already there – the POSEI Scheme. This is being reviewed at the moment, and I will certainly be willing to advance these particular proposals in the context of reviewing that scheme for the outermost regions and islands. The specific nature of the problem that you identified I am not aware of, but I will certainly be glad to engage with you to see how we can find a solution.

4-06

Alyn Smith (Verts/ALE). – Phil, you are very welcome to the committee. As a Scot, I have been a great admirer of Irish agriculture for a number of years and I look forward to working with you over the next five of your term of office.

We could even try and sort out once and for all which whisky/whiskey is best. I'll bring a bottle of Scotch and you bring a bottle of Irish product and we will see what we can manage with that. I suspect we might not be allowed.

Substantively I very much welcome your comments on electronic identification (EID) for sheep - a very real issue still for sheep farmers in Scotland. We will get a dossier of practical solutions to you.

There are a number of ways in which we can improve that legislation while not losing any of the traceability.

I would ask you also to unpack your comments about supermarkets and the supply chain. I wrote down your quote there — essentially that 'the Commission should be ready to propose legal instruments to ensure fair play'. Could you unpack what you mean by that and what sort of timescale you would be looking for on that, because you could win a lot of friends across the whole of European production if we can crack down on the current imbalances in the supply chain?

4-06

Phil Hogan, *Commissioner-designate.* – Thank you for your remarks in relation to whisky/whiskey. As somebody that has travelled from Oban to John O'Groats I certainly have met a lot of whisky producers on the way and tasted some. Needless to say I wasn't driving.

In relation to the food chain, and as Mrs McGuinness mentioned in her question, in which she clearly indicated that there was a difficulty in relation to the end producer and what share of the margin was ultimately going to the producer, there is a continuous decline from about 30% down to 20% in terms of the share over the last five or six years.

So the concentration of market support and power in the distribution chain at supermarket level certainly has consolidated extremely well. The same has not happened in relation to agriculture.

So we have to have - and we do have in many Member States, including your own - a voluntary scheme where we are seeking to ensure that by negotiation through producer organisations and through negotiated contracts people get play fair - particularly for the producer I suppose, which is where you are coming from.

But at the end of the day voluntary activity is very haphazard and it depends on the goodwill of everybody in the various parts of the food chain. We see from the figures that I have just stated that there is a considerable breakdown of trust between farmers and supermarkets in relation to the share of profitability and margin. I would certainly be looking at legislative amendments in the competition area and am certainly prepared to investigate that if, as people tell me, there is a considerable amount of distress about the consolidation of power in one particular sector in the food chain.

4-066

John Stuart Agnew (EFDD). – There is a real contradiction in the CAP reform in relation to sugar. The sugarbeet industry will be liberalised from quotas whilst the cane refiners remain mired in EU legislation. The legislation threatens 200 jobs in my constituency and hits the UK harder proportionately than other Member States. Can we agree that sugar refinery on the Thames estuary will be a venue of our up-and-coming tour? From there, it is not very far to Ashford market, where you will see they have to open the mouths of about three or four thousand sheep every market day to see if the first pair of incisors has erupted. With the stroke of a pen, this could be changed to the second pair and that would stop all that work altogether.

I want to throw my weight behind the review of the three-crop rule. Many people will not be able to grow oilseed rape in the face of the neonicotinoid seed dressing ban, and that is going to create a problem. Finally, do you support the fact that Member States ought to have the authority to cultivate GM crops?

4-06

Phil Hogan, Commissioner-designate. – The 'three-crop rule' is a vexatious issue I am sure, but it is good farming practice to have good crop rotation. However, as part of any review that we are doing, let us see the practical implementation of the reform that you have just agreed to and see how it works. Certainly crop diversification is an important component of what was agreed. The practical

implementation of that might find difficulties depending on the size of your farm and depending on the terrain; and let us have a look at that.

In relation to sugar: as somebody who comes from a country that used to have a sugar industry and wishes to have it again, provided we are competitive, I certainly can be delighted to know that there is competition in your area. Certainly, as you know, in any liberalised democracy no business is guaranteed. But the relative competitiveness of EU sugar producers vis-à-vis the production of cane sugar in developing countries will determine the new market shares of sugar after the end of quotas. Most refineries are located far from the main beet-growing regions, which gives them an advantage to sell sugar into their own regions.

I certainly will take you up on the offer of having a look at the particular problem once I am in your area to see what the particular application of the policy is having following the removal of sugar quotas. So maybe after next March we might be able to arrange that particular visit.

As Minister for the Environment, I was involved in discussions regarding GMOs where DG SANCO brought forward proposals last July to the Luxembourg Council. And certainly the issue of subsidiarity in terms of authorisation and cultivation seems to be a very vexed one.

Now, President-elect Juncker has made it very clear in his statement to Parliament that if Member States are against, that that should carry equal weight with scientific advice in relation to GMOs. Therefore, I think that debate is probably about to start.

4-068

Michel Dantin (PPE). – Monsieur le Président, Monsieur le Commissaire désigné, les négociations internationales, qui touchent directement nos produits agricoles, suscitent de nombreuses inquiétudes parmi les agriculteurs mais aussi parmi nos consommateurs, qui doivent avoir confiance dans la qualité affichée des produits agricoles et alimentaires. La réciprocité entre les normes sanitaires des produits des pays tiers et celle que l'on exige de nos agriculteurs, avec un coût important, est donc une question tout à fait centrale.

Mais il faut aussi se poser, dans cette négociation, la question de la présence même de certains secteurs. Je pense, par exemple, au secteur du sucre, voire même de la viande bovine. Comment comptez-vous garantir que nos produits agricoles européens seront protégés et commercialisés dans un cadre de concurrence loyale et équitable, si cet accord est conclu?

Par ailleurs, je voudrais reprendre la question qui vous avait été posée par mon collègue Andrieu sur la négociation des noms de domaines à l'ICANN. Serez-vous ferme sur cette question, qui est essentielle pour un certain nombre de nos produits?

4-06

Phil Hogan, Commissioner-designate. – There is a consciousness, as part of any negotiations, of the importance of geographical indicators, including the domain names that you mentioned, which are particularly close to the hearts of the French representatives and others in southern Europe. This is something that the negotiators are very conscious of and regard as very sensitive.

Secondly, as President Juncker said in his opening remarks, we will not sacrifice the agricultural industry in respect of standards. There are sensitive industries, and sensitive sectors like beef, rice and poultry, that we have to seek to protect as well. We will not be found wanting in terms of import tariffs to protect those particular industries.

In relation to standards, obviously this is a matter for the Commission's Directorate-General for Health and Consumers (DG SANCO) but I am involved from an Agriculture Commissioner's point of view. Any terms agreed as part of the Transatlantic Agreement with the United States will have to

take account of standards. We will not be sacrificing the high food standards that we have all developed and aspired to, particularly since BSE. These particular standards will not be sacrificed on the altar of expediency in terms of simply getting an agreement. The agreement must also be a comprehensive one – not just one based on agriculture – between the USA and the EU.

4-07

Marc Tarabella (S&D). – Monsieur le Président, Monsieur le Commissaire désigné, il y a peu de temps, j'ai été désigné, dans ce Parlement, rapporteur sur le programme en faveur de la consommation des fruits et légumes et du lait dans les établissements scolaires.

En janvier 2014, la Commission avait tout naturellement choisi l'article 43, paragraphe 2, comme il était prévu dans la procédure de codécision comme base législative. Toutefois, le Conseil considère – semble-t-il, et apparemment à l'unanimité ou presque – que la base législative devrait être l'article 43, paragraphe 3, ce qui exclurait le Parlement de la prise de décision, ce qui est évidemment inacceptable au regard du traité de Lisbonne.

J'ai deux questions, Monsieur le Commissaire désigné. Au-delà de la réponse écrite encourageante, pouvez-vous promettre ici, devant notre commission, que vous allez défendre, jusqu'au bout de la procédure, les prérogatives du Parlement en matière de codécision, et en particulier sur les éléments essentiels de la proposition comme, par exemple, le budget qui y est alloué?

Deuxième question: ne pensez-vous pas que la Commission doit considérer ce programme dans le cadre plus large d'un nouveau programme éducationnel européen, avec un renforcement de la dimension éducative par rapport à l'alimentation, ce qui semble être une nécessité?

4-07

Phil Hogan, Commissioner-designate. – First of all I will commit to supporting the principle of 43(2), being the appropriate mechanism to deal with these issues relating to food and vegetable scheme. The current schools' fruit and vegetable scheme covers not only fresh fruit and vegetables but also processed fruit and vegetables like dried fruit and fruit juices, which are not widely used in Member States. The new proposal for a school scheme of January 2014 focused the distribution on schools in two core products, namely fresh fruit and vegetables and milk, and I am aware of the recent conversation you had with me where you indicated your designation in the plenary session in mid-September, that you were now the rapporteur for this particular file. The proposal that you will be bringing forward, I look forward to it and engaging with you in relation to this particular scheme under a specific particular measure to see how we can take this discussion forward. But I do fundamentally believe and will support you in your efforts to ensure that it is under Article 43(2).

4-072

Bas Belder (ECR). – Geachte kandidaat-commissaris Hogan, ik wil u een specifieke vraag stellen, namelijk over de kwekersvrijstelling, de zogenaamde *breeders' excemption*. De bio-octrooirichtlijn geeft in de praktijk ruimte voor patenten op planten. Dit gaat in tegen het kwekersrecht. Met de kwekersvrijstelling waren kwekers altijd vrij om een nieuwe variëteit te ontwikkelen met bestaand materiaal en deze ook op de markt te brengen zonder daarvoor torenhoge royalty's te moeten betalen aan een octrooihouder. Bent u het met mij eens dat deze kwekersvrijstelling gewaarborgd moet worden? Zo kunnen ook kleine kwekers nieuwe rassen blijven ontwikkelen. Gaat u zich daarvoor ook sterk maken bij uw collega met de portefeuille interne markt? Tot slot, de Nederlandse agrarische sector is buitengewoon innovatief. Ze kijken echt reikhalzend uit naar uw komst. U moet eens kennis komen maken. Dank u wel.

4-073

Phil Hogan, Commissioner-designate. – I am certainly conscious of the plant breeding report by Ms Paulsen in relation to this area. The report is very important in terms of feeding our population in a changing climate and requiring a competitive plant-breeding sector, but I am not going to give you any commitment today in relation to supporting the issue that you mentioned, because it is something

that I would have to discuss with the Internal Market Commissioner, which I will do. But I am not going to give any hostage to fortune today in relation to promises made. One of the good pieces of advice that I was given before I ever came to this hearing is not to give any promises that you cannot keep.

So I will research this particular topic very well. I will certainly be conscious of the importance of the plant breeding industry in your own country and will come back to you in relation to the report and the terms of its implementation that has been brought forward by our good friend Ms Paulsen.

4-074

Marit Paulsen (ALDE). – Jag kommer nu att byta fråga. Jag kommer inte att fråga om växtförädlingen utan om djuren.

Det existerar i dagsläget en fantastiskt ojämlik situation för Europas bönder. Det är olika nationella regler. Framför allt är det oerhört olika tolkningar av de europeiska regler som ska vara lika överallt. Ta exempelvis grissvansar och klippningen av dessa. Eller ta den mycket olika kontrollen av djurtransporterna.

Det blir då två frågor: Kommer ni att jobba för att djurskyddskraven ska genomföras, att det ska vara lika villkor för animalieproducenterna i olika länder? Kommer ni att stödja parlamentets återkommande förslag om en allmän djurskyddslag?

4-07

Phil Hogan, Commissioner-designate. – First of all, I think that very important improvements have been made over the last decade in relation to animal welfare. People are much more satisfied as producers now, which was not always the case – that a happy animal is actually a good-quality animal. I think that the protections that have been put in place have certainly been major improvements. I expect that you are speaking specifically about a particular Swedish implementation matter in relation to animal welfare in terms of the supports that are there. I am conscious of what you are raising, and I will be very pleased to discuss that with you and see how we can have greater harmonisation to deal with the specific Swedish issue that you have raised with me privately as well.

4-076

Daniel Buda (PPE). – Domnule comisar desemnat, anii 2012-2013 au adus reforme importante în domeniul legislației care reglementează agricultura europeană și care a fost adaptată noilor conjuncturi economice și de mediu. Cu toate acestea, o reformă a agriculturii nu a reușit să rezolve problema discrepanței foarte mari între plățile directe acordate diferitelor state membre, plățile primite de agricultorii din statele estice fiind semnificativ mai reduse decât cele acordate în statele vestice. Pachetul legislativ privind agricultura a intrat în vigoare în anul 2013 și prevede creșteri graduale ale acestor plăți.

Având în vedere faptul că diferențele dintre plățile directe acordate agricultorilor din statele membre rămân semnificative, creându-se astfel inegalități între fermieri și o concurență neloială între aceștia și ținând cont de noile provocări determinate de relațiile comerciale tensionate cu Federația Rusă, vă rog să îmi precizați explicit dacă aveți în vedere modificarea calendarului creșterii graduale a valorii plăților directe în noile state membre și dacă aveți în vedere și alte măsuri de sprijin pentru agricultorii din noile state membre, care să compenseze diferențele menționate privind cuantumul plăților directe.

4-07

Phil Hogan, Commissioner-designate. – I suppose it is very difficult to resolve this issue in one go, and I am sure that you found, in your discussions with the committee as well, that there are different views in different Member States about how far you can go and how fast you can go in terms of internal and external convergence. But I do note that countries like Latvia, Estonia and Lithuania have made significant advances in terms of convergence. For the first time, a cap has been put on the

amount that you can actually get paid if you are in the large farming countries in western democracies, and I am sure that was not too easy for some of the Members in those particular Member States.

In relation to the measures that have been taken, efforts have been made and progress has been made in some of the countries that have had a lower level of payment. Let us see how these measures that have been taken will be implemented. Let us take account, as well, of the flexibilities that have been given to the Member States, who also have additional measures they can take to bring about internal convergence.

On the basis of that data, we will be in a position to have a mid-term review and to be able to see the outcome of the objectives and the policies that you have contributed to and implemented as part of this common agricultural policy reform. After all, there were 8 000 amendments put down to this particular reform – that was a lot of work and a lot of activity – and obviously a balance then had to be struck. Nevertheless, you will see from the statistics that some progress has been made. I am sure that different countries will have different views about that level of progress.

4-07

Maria Noichl (S&D). – Sehr geehrter Herr designierter Kommissar! Ich spreche heute im Namen der europäischen Bienen zu Ihnen. Die Bienen sind die größte Nutztiergruppe in der Landwirtschaft, und ihre kostenlose Bestäubungsleistung ist die Basis der gesamten Landwirtschaft. Die Bienen sind darüber hinaus aber auch Indikator für die Umweltgesundheit insgesamt.

Die Bienen stellen Ihnen drei Fragen: Priorisieren Sie den Erhalt der Artenvielfalt, denn nur artenreiche Flächen bieten den Bienen ausreichend Nahrung?

Die Bienen fragen weiter: Garantieren Sie, dass in Zukunft Nervengifte wie z. B. Neonicotinoide nicht mehr auf den Feldern ausgebracht werden dürfen, denn nur gesunde Bienen können bestäuben?

Die Bienen fragen: Setzen Sie sich weiter dafür ein, dass die Flächen GVO-frei bleiben, denn Bienen kennen keine Grenzen, weder Grenzen an den Felderflächen noch Grenzen an den nationalen Flächen?

Ihre Politik wird in fünf Jahren daran gemessen werden, wie es um die Bienengesundheit steht.

4-079

Phil Hogan, Commissioner-designate. – Well as you know, for many years the common agricultural policy has supported the apiculture sector via the national apiculture programmes and supporting the maintenance of beekeeping activity and the production of honey. And the 2014-2016 programmes are currently running in all of the Member States in relation to bees, and over the last number of years I understand the Commission took steps to strengthen the pesticides authorisation process by introducing new data requirements applicable from 1 January of this year.

The EU rules for sustainable use of pesticides for reducing the risks and impacts of pesticides on human health and the environment have been introduced, and within these rules, low pesticide input management, including non-chemical methods, is actually being promoted. So this strategy is complementing the wide array of provisions available by the CAP for improving bio-diversity as well.

Now you will understand that the issues relating to the neonicotinoids ban is a matter for DG SANCO. But following studies indicating acute risks of certain insecticides for bees, the European Commission has restricted significantly their use for a period of two years and, at the latest within two years, the Commission will review the conditions of approval that will take into account the scientific and technical developments, and the result of these considerations will be able to guide the committee here and guide the Commission on deciding on what follow-up we have to take.

4-080

Marijana Petir (PPE). – Hvala lijepa, gospodine predsjedniče, gospodine Hogan. Sve veći broj ljudi, posebice mladih i onih srednjih godina napušta selo, odlazi u velike gradove tražeći bolje uvjete života. Sela nam nažalost izumiru. Da bismo ljude zadržali na selu, moramo im osigurati adekvatne uvjete života, a to znači društvenu, socijalnu i komunalnu infrastrukturu te sigurne izvore prihoda.

Koje mjere planirate poduzeti kako biste poduprli ostanak ljudi na selu? Jer dok oni žive na selu, proizvodi se hrana, čuva se biološka raznolikost, odvija se život.

Oni koji žive na selu stvarni su čuvari prostora i zbog toga smatram da bismo ih trebali adekvatno nagraditi pa me zanima jeste li spremni, kao novi povjerenik za poljoprivredu i ruralni razvoj, razmisliti o uvođenju izravnog plaćanja za čuvanje prostora?

4-08

Phil Hogan, Commissioner-designate. – I suppose that already there is considerable support through direct payments, through the greening measures and through the Rural Development Programme, where 40% of the funds have to go for agri-environment measures for rural areas. I think that there is an acknowledgement already in the programmes and in the CAP instruments to meet your objectives that you have outlined.

In addition to that, under the Rural Development Programme there is, under the LEADER approach, an opportunity for economic development, for social capital, for basic services measures and business renewals. All of these particular measures are very important to sustain, and in each Member State plans now have been submitted to the Commission – 118 plans. Officials are very busy going through the plans at the moment and they must respond to the Member States next week in relation to whatever queries and assessments they have about meeting the objectives.

One of the fundamental difficulties that Member States have is how rural people and young people who do not have a lot of work in their history are able to get the financial instruments from financial institutions to get the necessary co-financing for many of the measures which the European Union is supporting. So I will be working with the European Investment Bank and working with the financial institutions to see how we can get additional support financially in a co-financing way to help to draw down the Rural Development Funds, to generate more economic activity in rural areas, to generate more employment and to have greater sustainability in rural areas and greater vitality in those particular areas, from a social point of view.

4-08

Paul Brannen (S&D). – Mr Hogan, you are doing well, you are into the last hour – two hours down, well done.

I was pleased to hear you mention in your introduction the importance of cutting carbon emissions from agriculture. Intensive agriculture in Europe is known to have caused a high level of topsoil erosion, which has led to severe flooding in places such as the UK this winter. Do you plan to commit yourself to ensuring that agricultural practices relevant to soil protection are observed throughout the European Union, and will you propose any new measures aimed at increasing the resilience of European farmland to flooding?

4-08

Phil Hogan, Commissioner-designate. – This is a very important issue where a considerable amount of resources are already being deployed through agri-environment measures through cross-compliance in the rural development programmes. But I am committing myself to improving the situation under the Water Framework Directive. I believe that it should be very much of interest to the common agricultural policy and of interest to the Committee on Agriculture and Rural Development to ensure that we have soil and water – which are under threat in so many parts of our European Union – and to

ensure that they are an integral part of any approach to an environmentally sustainable policy and a food policy.

I mentioned earlier the figures in relation to 40% of our silos and 45% of our water sources being under threat. I have, as Minister for the Environment in my own country, implemented measures – with a lot of people against them – in order to ensure that we knew where the water sources were and we knew how people should go about protecting them. I will continue that particular policy.

4-084

Esther Herranz García (PPE). – Señor candidato a comisario de Agricultura, señor Hogan, me ha gustado mucho escucharle hablar de mejoras en la cadena alimentaria. Le animo a que se inspire en la ley española de la cadena alimentaria, que está dando buenos resultados. Uno de los sectores que precisamente más sufre en la cadena alimentaria es el de frutas y hortalizas. Habla usted de presentar un proyecto de simplificación para el año 2015. Yo le pediría, más que simplificación, una mejora. Porque realmente ese régimen de frutas y hortalizas carece de un buen sistema de gestión para casos de crisis.

¿Va a presentar esa parte de la gestión de crisis en esa propuesta? Y una segunda pregunta, señor Hogan. El Reglamento del POSEI para las regiones ultraperiféricas no se ha tocado todavía esta mañana. Es un instrumento muy importante para esas regiones y en los últimos tiempos del comisario Cioloş hubo una propuesta que circuló y, afortunadamente, no se aprobó. ¿Tiene usted previsto presentar alguna nueva propuesta en relación con el POSEI, ese régimen para las regiones ultraperiféricas?

4-08

Phil Hogan, *Commissioner-designate.* – I understand that there was a policy in relation to the outermost regions under the Programme of Options Specifically Relating to Remoteness and Insularity (POSEI), which is a significant programme and was obviously brought in under the Treaties many years ago to deal with the islands in particular.

I know a review is going on at the moment. As part of this review, I will be bringing a report to the committee here in 2015. It is certainly going to mean that we have examples like the programme for Portugal already providing direct support for milk production. We take account of the transport costs, the energy costs and all of the additional costs that you have in bringing a product to and from a particular outermost regions. This is a policy that we will wish to continue.

In relation to crisis management, we have a toolkit of market measures in the event of crises, whether it is aids for private storage, whether it is intervention or whether it is buying up a product with surplus on the market because of a crisis. Export refunds are part of it. All of these are marketing measures for various sensitive products which are coming under threat because of the geopolitical problems we have in Russia/Ukraine or in other areas.

All of them will continue to be utilised to the full, and Commissioner Cioloş has already indicated there will be additional support. However, he has to get the money for it and he is experiencing pressures with DG Budget about how to ensure we have a balanced budget and, at the same time, find the necessary mechanisms within our margin or our reserve. These decisions have to be made in order to ensure that the viability of the producer is protected, and I am sure that that is what you have uppermost in your mind.

4-086

Laurențiu Rebega (S&D). – Domnule comisar desemnat, vorbeați de găsirea unor noi piețe de desfacere pentru produsele Uniunii Europene, în special în momentele de criză - iar acum avem un astfel de moment de criză, impus de embargoul Rusiei -, pentru a debloca stocurile de marfă și totodată să nu creăm o concurență neloială în interiorul pieței comune, concurență care va crea o

destabilizare a pieței și a producătorilor, cu efecte locale devastatoare. Sunteți un susținător al creării locurilor de muncă; acest lucru s-ar putea să ducă la pierderea locurilor de muncă.

Vreau să vă întreb: aveți în vedere stimularea exportului în afara pieței Uniunii Europene, printr-un suport financiar? Şi v-aș ruga, dacă este posibil, să îmi spuneți că nu trebuie să aștept un an de zile pentru găsirea unei astfel de soluții, pentru că, dacă noi putem aici, producătorii nu pot aștepta.

4-08

Phil Hogan, Commissioner-designate. – I accept that producers cannot wait, they are in a difficult financial situation. Already the Commission has acted quickly and they were able to do so because of the common agricultural policy reforms in August. Commissioner Cioloş is attempting to ensure that they are able to take further action: he has announced EUR 165 million of aid. How that is going to be targeted and where the money is going to come from are matters still under discussion. It is a difficult issue.

I clearly indicated earlier that there is an enhanced budget in 2015 and beyond for promotion and export promotion. Instead of the EUR 60 million in the last budget there will be EUR 200 million for food promotion, and I intend to use that for the purposes of opening new market opportunities to reduce the pressure on the particular markets that we have at the moment in difficult areas. I will be leading, with the Commission officials and, as I mentioned earlier in reply to a previous question, with all the various instruments that we have at our disposal, with ambassadors and with all the various forms of assistance we can get in other countries. Opening new market opportunities is critically important to remove or reduce the dependence that we have at the moment in politically sensitive areas.

I acknowledge that what you are talking about is a very difficult issue. Approval with immediate effect is being sought with the College of Commissioners, and on 15 October, when we see the budget arithmetic in relation to these matters, perhaps we will be in a better position to know how swift the response will be.

4-08

Nuno Melo (PPE). – Sr. Comissário nomeado, que eu espero bem possa ser indigitado. Muito brevemente, a questão que lhe colocava era a seguinte.

A primeira questão que eu lhe coloco tem que ver com a renovação geracional da agricultura. A agricultura não terá futuro se não se renovar. Estatisticamente, na Europa, há um agricultor com menos de 35 anos por cada nove com mais de 55 anos. Em alguns países, esta média é muito preocupante – casos de Portugal, Espanha, Itália, Reino Unido ou Bulgária. Há um jovem com menos de 35 anos por cada 20 com mais de 55 anos.

O melhor rácio está em países como a Polónia, a Áustria ou a Alemanha, com um jovem por cada 3 com mais de 55 anos, o que significa que a Comissão terá muito a fazer no sentido de estimular esta renovação geracional da agricultura, que é fundamental também para a boa ocupação e tratamento dos territórios.

E eu gostava de saber o que é que, como Comissário, proporá a este propósito – o que implica, desde logo, dinheiro. E sobre dinheiro, Sr. Comissário, eu gostava de saber também, tendo em conta que certamente será muito pressionado relativamente ao orçamento da política agrícola comum, qual será o seu posicionamento, no sentido de manter, reduzir ou aumentar o orçamento da PAC.

4-089

Phil Hogan, Commissioner-designate. – I will certainly be doing whatever I can to maintain the budget, but I also believe that we can leverage additional funds across other Commissioners, particularly in Horizon 2020. In various other areas in the financial area I will certainly indicate my

desire to work with the financial instruments that are required to generate jobs in rural areas, to help people who are finding it difficult in the fiscal crisis and financial crisis that we have at the moment to get money from financial institutions for particular projects. These are real-time issues for people, particularly young people, who do not have a track record built up in terms of financial well-being with the financial institutions.

The generational renewal is a good way of putting a very serious problem that we have, and it helps in the context of structural reform that is badly needed in the European Union as a whole in relation to agriculture. Sixty-nine per cent of all farmers less than five hectares is a very big figure, and many of them are in the older generation. So I do agree that some initiatives are required as to how to incentivise, with the help of Member States, some initiatives as well, to partnerships maybe in the first instance.

When support is actually going to a lot of people that are in the elderly age group, it does not incentivise them to give up the reins and hand over to the young person. So a balance has to be struck. Sometimes it can be a cultural thing. We have to kind of allay the fears of the older generation in terms of their income, that when they pass on to the young people the world is not going to come to an end. I will certainly be looking at how we can leverage funds in addition to the 25% top-up that Parliament insisted be given to the young farmers as part of the recent CAP reform.

4-090

Nicola Caputo (S&D). – Grazie Presidente e grazie Commissario designato. Io tratterrò di un argomento spesso trascurato nel settore dell'agricoltura ma che, a mio avviso, è fondamentale per favorire uno sviluppo sostenibile: la ricerca e l'innovazione. La ricerca agricola, in particolare in Europa, è altamente frammentaria, la maggior parte delle misure esistenti riguardano una ricerca di base e non le possibili applicazioni reali per le aziende agricole. Il rapporto fra il mondo dell'agricoltura e quello scientifico per l'implementazione di nuove tecnologie e di soluzioni innovative va rafforzato per favorire un reciproco arricchimento e per strutturare un settore agricolo competitivo, che sappia tener conto delle aspettative della società in materia ambientale.

Cosa intende fare lei, in qualità di Commissario designato, per promuovere la ricerca e l'innovazione nell'agricoltura europea, sia nel breve che nel medio termine?

4-09

Phil Hogan, Commissioner-designate. – I agree with you that knowledge transfer and research and innovation are all key factors towards improving productivity when we have scarce farm resources. The budget for research for the Societal Challenge 2 programme, which deals with issues like food security in the period 2014-2020 is, I understand, EUR 3.85 billion, which is a significant budget. Societal Challenge also covers agro-food but also maritime research and bio-based industries, so the budget is obviously going to be broken down into the various areas.

But I think that we can use a lot more leverage with Horizon 2020 programmes in terms of research and innovation and help the agricultural education facilities who are helping our young people. To take a point from Mr Müller and yourself, this is the way forward in terms of ensuring that we have a way in which we can help young people – new ideas, new initiatives, new research and innovation methods – in order to produce more at a time when we have less resources.

So I would certainly be very happy to support measures to do that. In the rural development programmes there are equally measures there that can assist people in rural areas to devise partnerships with the European Innovation Partnership. We will work together in Parliament to ensure that we can have programmes that we can offer to Member States in order to draw down those funds and to draw them down quickly and, hopefully, innovatively, to ensure that we meet the objectives that you rightly point out.

4-092

Norbert Erdős (PPE). – Tisztelt Biztosjelölt Úr! Az öntözött mezőgazdasági területek növelése az egyik legfontosabb célkitűzésem a parlamenti munkám során. Magyarországon rendelkezésre áll az öntözéshez szükséges vízmennyiség. A leendő magyar vidékfejlesztési terv orvosolni kívánja ezt a problémát, ezért kérem, hogy a Bizottság és Ön adjon meg minden segítséget és támogatást, hogy elérjük a céljainkat. Három konkrét kérdésem van Önhöz: Fontos-e az Ön számára az öntözött mezőgazdasági területek növelése? Másodsorban: A vidékfejlesztési forrásokon felül milyen egyéb uniós forrást fordítana az új öntözőberendezések telepítésére? Harmadsorban: Milyen konkrét lépésekkel kívánja elősegíteni az új öntözőberendezések telepítésére vonatkozó vidékfejlesztési beruházások megvalósítását?

4-093

Phil Hogan, *Commissioner-designate.* – Your question completely puts into focus the conflict there is between Northern European and Southern European countries and the examples of where water is very important and measures that have to be deployed to ensure that there are sufficient quantities and quality of water for food production.

Member States and regions now quite explicitly have the opportunity for the first time to support investments in irrigation through the Rural Development Programme, so it is the first time and it is a new source of financial support for farmers and for areas to devise proposals, to submit them for the rural development programme for irrigation. The support could relate to irrigation equipment at farm level or off-farm irrigation infrastructure, and it could either improve existing facilities or create new irrigated areas.

In order for the support to be granted, the investment must obviously meet some conditions under the Rural Development Regulation but these conditions are certainly ending the uncertainty that I am sure your constituents of the past had in relation to the approach across the EU. They are consistent with the Water Framework Directive, and support for the investments in the new irrigated areas is permitted under reasonably light conditions in areas where there is ample water available already. In areas where the water balance is currently problematic, the conditions are much tighter and in the areas where there is a need for it, the conditions are lighter. I hope that Member States will adopt those flexibilities to ensure that we can bring further areas into productive activity for food.

4-094

Tibor Szanyi (S&D). – Tisztelt Biztosjelölt Úr! Itt a mai napon elég sok szó esett a közös mezőgazdasági politika működéséről, de talán érdemes egy pár szót vesztegetni arra is, hogy mi ennek a közös mezőgazdasági politikának a célja. Az én értelmezésemben – és sokunk értelmezésében – a közös mezőgazdasági politika egyik legfontosabb célja, hogy jó minőségben, elérhető mennyiségben és hozzáférhető, megfelelő, méltányos áron biztosítson élelmiszert az európai polgároknak, ötszázmillió európai polgárnak. Hát ebből körülbelül százmillió bizony az éhezés és/vagy az alultápláltság szintjén van. Nem tudom, hogy Ön tudja-e, hogy egyes kormányok, például a magyar kormány, huszonhét százalékos adót, huszonhét százalékos adót vet ki az élelmiszerekre. Az élelmezésbiztonság és az élelmiszerek ára tehát igenis szociális kérdés, és az állampolgárok a jelenlegi gazdasági helyzetben élni akarnak szociális jogaikkal. Kérdezem tehát, érez-e Ön felelősséget, és ha igen, milyen konkrét intézkedéseket tervez az Európai Unión belüli éhezés felszámolására és az élelmezésbiztonság megteremtésére?

4-09

Phil Hogan, Commissioner-designate. – As a former Minister for the Environment in Ireland, I was part of the climate change negotiations that included food and nutrition as part of the Durban Platform two years ago. So I respect completely the rationale behind the question that you have asked.

It is a huge issue that many, many people often ignore in the context of the food debate. There are 870 million people worldwide suffering in food poverty, even though we are expected to know that we have sufficient food on the planet.

In relation to Member States and what they do with their taxation measures, I cannot intervene, and I think you know that. It is a question of the political priorities within the Member States in terms of what they would do – you know, impose additional taxation on food – and many Member States have no taxation on food. But I cannot in any way predicate my remarks on the basis of what the fiscal policy would be of a particular State.

But food and nutrition will be something that will be very close to my heart. It will be something that will be very important for me in terms of diversification of markets as well, in terms of some markets being able to sustain export opportunities from Europe and others not, and maybe they might need some assistance in order to do that, or there are issues of a foreign policy nature or issues relating to multilateralism

But I will equally be anxious to ensure that harmonisation, simplification, reducing the administrative burdens in relation to food production and in terms of consumer rights are mutually respected.

4-096

Jarosław Kalinowski (PPE). – Padło dzisiaj bardzo dużo pytań, również o skutki embarga rosyjskiego, jak i o zachwianą konkurencyjność ze względu na nierówne dopłaty. Ja chcę zapytać, jak Pan widzi przyszłość produkcji biopaliw pierwszej generacji w Unii Europejskiej? Biopaliw, które miały ograniczać emisję dwutlenku węgla, tworzyć miejsca pracy i dawać dodatkowe dochody rolnikom. Coraz więcej jednak komponentów biopaliw czy gotowych produktów trafia na rynek Unii z krajów trzecich, a Komisja dwa lata temu zaproponowała obniżenie stosowania biopaliw w transporcie o połowę.

Co sądzi Pan o uwzględnieniu w przypadku produkcji biopaliw czynnika pośredniej zmiany użytkowania gruntów i jak widzi Pan przyszłość tego kryterium w odniesieniu do biopaliw produkowanych z surowców wspólnotowych oraz z surowców pochodzących z państw trzecich?

4-09

Phil Hogan, Commissioner-designate. — I suppose the debate in relation to biofuels has taken a considerable change in the last decade. Whereas people were quite enthusiastic about biofuel production ten years ago — when I was a Member of the Irish Parliament, there was considerable lobbying from my friends in the Green Party in terms of biofuel production — these matters changed when there was actually a recognition that they were displacing food production. So there is a constant balance that has to be struck in relation to these issues.

Biofuel is an alternative means where we can actually develop very important initiatives on renewable energy. We are setting, in a cross-cutting way, targets on climate and energy, which has to take into account the renewable energy situation that you have outlined. If we do not diversify into areas like that, we will not be able to develop the necessary energy security that we all aspire to in the European Union, in addition to food security.

That is why President-elect Juncker has asked me to report to not just one Vice-President, but two: to Commissioner-designate Katainen for economic activity in terms of jobs, growth and investment, and to the Commissioner-designate from Slovenia in relation to energy union. So energy and food are integrated, and we need to have a cross-cutting horizontal debate about how we actually can meet the objectives of food security but equally see the contribution it can make to energy security.

4-09

Przewodniczący. – Proszę Państwa! Zakończyliśmy turę pytań. Chciałbym podziękować wszystkim pytającym, wszystkim uczestnikom naszego posiedzenia. Przestrzegaliśmy dyscypliny wyjątkowo skrupulatnie – tylko pięciu posłów przekroczyło czas i to bardzo nieznacznie. Bardzo za to Państwu dziękuję. Dziękuję Panu Komisarzowi za bogate informacje zawarte w odpowiedziach.

Nim udzielę Panu głosu na podsumowanie, chciałbym jeszcze wspomnieć o kilku ważnych sprawach, które nie należą bezpośrednio do kompetencji naszej komisji: chodzi mi o kwestie związane z polityką spójności na obszarach wiejskich, które są ważne i decydują o rozwoju obszarów wiejskich. Sprawy społeczne, jak starzenie się wsi, ubóstwo, o którym była mowa, należą do ram polityki społecznej. Wspominano kwestię Horyzontu 2020 oraz problemy bezpieczeństwa związane z jakością żywności, które też w części wychodzą poza kompetencje naszej komisji (uczestniczyliśmy wczoraj w przesłuchaniu komisarza odpowiedzialnego za te kwestie). Wiele mówiliśmy także o uwarunkowaniach zewnętrznych, o wymiarze zewnętrznym i wpływie polityki handlowej na sprawy rolnictwa.

Duża zgodność naszych poglądów dobrze wróży naszej współpracy. Bardzo proszę Pana Komisarza o wystąpienie podsumowujące, na które przewidziane jest 5 minut.

4-099

Phil Hogan, *Commissioner-designate.* – Mr Chairman, honourable Members, first of all I wish to thank you for the courtesy and rigour of your questioning. It has been a busy morning (for me anyway), and I am glad of your cooperation. As we conclude, I would like you to know how seriously I take the idea of becoming Commissioner. I see agriculture as central to the European project. It is the one area where our territories differ hugely from each other in what we produce and how we produce. Our farming communities, our products, our landscapes change all across Europe from north to south and east to west – but in those contrasts lie Europe's great strengths.

Like a fabric with different yarns running through it, Europe's agriculture is strengthened by the diversity and richness of the vastly different products we bring literally to the table. But it is also an area offering us virtually limitless opportunities for growth, for development, for jobs in order to meet the current market needs inside and, indeed, outside the European Union.

Our great strength lies in our standards – provable, world-class standards. At a time when emerging markets want first and foremost food that they can trust, Europe is in a unique position to demonstrate that, when it comes from its fields, it can be trusted. Those explicit and strongly-enforced standards have revived and repositioned farming as a profession that is worth engaging in.

The flight from the land in many of our Member States is being reversed as food production becomes a specialised and highly professional task again. There is a living to be made from farming right across Europe again, but just as important: there is pride in farming restored. Pride in the workmanship and pride in being part of an industry that is rooted in nature and depended on by humanity, and those two factors are equally important.

If food production in each Member State is to meet the full needs of humanity, then it must happen in a way that it is sustainable. To make two seeds sprout and grow where one grew in the past is a major achievement, but it must be done in a way that respects and restores the richness of the soil in which those seeds sprout and grow. It must be done in a way that is never wasteful of that most previous asset, water. It must be done in a way that uses energy with infinite care and control.

In the early part of my mandate I will visit each and every one of the Member States. Today I might have spoken a lot; as I visit each of the Member States, in sharp contrast I would like to listen, so as to ensure that the agricultural policy in the European Commission draws on the wealth of wisdom in each. In agriculture, arguably more than any other Commission area, how we tackle today's challenges will decide how good our future will be. I humbly commit, insofar as it is within my control, to build on tradition, to embrace innovation, to set out to achieve a future for agriculture in a new Europe that is productive and, indeed, prosperous.

(Applause)

4-100

Przewodniczący. – Bardzo dziękuję, Panie Komisarzu! Bardzo, bardzo dziękujemy! Chciałbym Państwu podziękować za atmosferę, za sympatię, jaka tu panowała między nami w czasie tej poważnej dyskusji. Była ona nacechowana myślą i naszym działaniem na rzecz rolników, co dobrze wróży naszej przyszłości, i myślę, że to dobrze wróży, Panie Komisarzu, naszej przyszłej współpracy, przyszłym rozmowom, dyskusji. Bardzo się cieszymy z dzisiejszego spotkania.

Dziękuję Państwu! Dziękuję, Panie Komisarzu! Chcę przypomnieć, że o godz. 12.30 odbędzie się spotkanie koordynatorów przy drzwiach zamkniętych w sali ASP 5G3 celem przyjęcia, przygotowania oceny naszego przesłuchania. Jeszcze raz bardzo dziękuję! Spotykamy się o godz. 12.30 w gronie koordynatorów w sali 5G3. Bardzo państwu dziękuję! Dziękuję, Panie Komisarzu Desygnowany! Dziękuję Państwu!

(Posiedzenie zostało zamknięte o godz. 11.40.)