



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

*No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.*

## **The role of rural development in the CAP post 2013**

**ATTILA JAMBOR**

Assistant Professor, Corvinus University of Budapest  
**attila.jambor@uni-corvinus.hu**



**Paper prepared for presentation at the EAAE 2011 Congress**  
**Change and Uncertainty**  
Challenges for Agriculture,  
Food and Natural Resources

August 30 to September 2, 2011  
ETH Zurich, Zurich, Switzerland

*Copyright 2011 by Attila Jambor. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.*

## Introduction

The European Union's Common Agricultural Policy (CAP) is currently under debate in order to meet the challenges it faces as well as to be prepared for the next multi-annual financial period. The European Commission has always been playing a key role in formulating agricultural policies in Europe and by publishing its official communication (EC, 2010a) on the future of the CAP (hereinafter referred to as 'Communication') in November 2010, it has made a significant contribution to the ongoing debate.

The Communication identifies **three major challenges for agriculture** in the future and by thinking in sustainable terms, these can be classified into economic (food security, market stability and food chains), environmental (GHG emissions, soil depletion, water/air quality, habitats and biodiversity) and socio-territorial challenges (vitality of rural areas and diversity of EU agriculture). In order to meet these challenges, the predefined objectives have to be reached via the numerous proposals expressed in the Communication.

**However, proposals on rural development are quite vague and are stronger on ideas than on specifics.** Proposals to enhance rural employment and the rural economy as well as to improve conditions for small farms remain at a high level of generality and the Communication fails to address exactly how it seeks to encourage these objectives. Therefore, the paper aims to interpret the Commission's proposals concerning rural development and to provide further thoughts on specific issues missing from the text. The paper is based on a longer study (Jambor, 2011) commissioned by the European Parliament.

## Critique of proposals on rural development

Proposals to meet socio-territorial challenges are aimed at addressing the problems of existing territorial imbalances experienced in the vitality of rural areas as well as those related to the diversity of EU agriculture (EC, 2010a). However, there are **suspiciously few concrete proposals** regarding the future of rural development compared to those in the first pillar.

First of all, the Communication fails to address exactly how it seeks to encourage and support rural employment. The main question here is whether the future CAP would support only agriculture-based rural employment opportunities, and if not, what role rural development plays in the enhancement of rural employment among other EU policies. The Communication is also short on detail regarding the promotion of diversification as it is unclear what exact diversification methods the future CAP seeks to support and what their budgetary relevance is. Another proposal of the Commission aims to improve conditions for small farms and to develop local markets, though a definition of small farms and their relationship with subsistence and semi-subsistence farms is not provided. Therefore it is questionable on what basis (physical measures, economic size, market participation, etc.) the future CAP would define 'small farming'. Also unclear is the link between second pillar support for small farms and the "simple and specific support scheme for small farmers" inside the first pillar.

Moreover, it appears the Communication **fails to take into account the diversity of farming structures** in the New Member States (NMS); that is, that both large and small farms exist in national agricultures. However, the large number of subsistence and semi-subsistence farms is a

special characteristic of NMS since these farms are fundamentally different from those which are called “small farms” in the EU15. Therefore these farms are hardly comparable to any segments of the EU15 farming sector and require special attention and policies, as small farmers are almost totally excluded from both pillars. Readyng us for the challenges of the future requires that this situation be acknowledged within agricultural policy and that a differentiated policy (which does not apply the “one-size-fits-all” approach) be implemented.

In addition, the **Communication lacks details on many important issues** regarding rural development. First, it falls short on any reference to the rural development axes and their potential replacement with a new set of priorities. Proposals on support for disadvantaged areas and possible overlaps between LFA payments and support for 'areas with specific natural constraints' are also unclear. Second, details on how rural development policies are to be evaluated are not elaborated. It is unclear how the Commission can set EU- and programme-level quantitative targets for the evaluation of rural development initiatives, as it is also uncertain whether these targets should be linked to overall priorities or to the different measures available. Detail on the implementation of the monitoring system, including specifics on proposed incentives for its evaluation, is also missing from the text. Third, many budgetary concerns are left open as well, including the effect of the reconfiguration of the two CAP Pillars on their respective budgetary allocations, the objective criteria used as a basis for Pillar 2 allocations, the potential to quantify the need for innovation and its resource-diverting effects as well as the impact of coherence between EU policies on the rural development budget.

The numerous proposals associated with the role of rural development in the future CAP can be usefully categorised along the lines of **future priorities, evaluation issues and budgetary concerns**. These will be analysed in detail, as well as many other related questions which arise which have been omitted or are just partly touched on in the Communication.

### **Future priorities**

In its present form, rural development refers to a diverse range of measures, bringing together economic, environmental and social objectives under a common umbrella. According to the Communication, rural development should aim to promote competitiveness, enhance the sustainable management of natural resources and create a balanced development of rural areas in the future (EC, 2010a), **echoing the aims of the current axes of the second pillar**. However, no reference is made to rural development axes in the Communication which might be variously interpreted. On the one hand, this situation might be interpreted as a wind of change in replacing axes with a set of new priorities or measures. On the other hand, the lack of reference to the axes system may simply mean that **no major changes will be made in this field**, which would provide the reason for its absence. Although both options have strong arguments behind them, the second option seems more plausible for many reasons.

First of all, during the Swedish Presidency, “the Commission representative highlighted that strengthening competitiveness, protecting the environment and creating new jobs are the three most important challenges we face when we talk about the future of rural development” (EC 2010d, p35). This view echoes the view that the current three plus one axes of rural development policy should be maintained in their current form. This argument was also strengthened during the Spanish Presidency, when it was concluded that “the main challenges which will have to be

addressed in rural development in the future CAP are enhancing competitiveness, protecting the environment and creating new jobs” (EC 2010e, p29). This is also in line with the EU 2020 strategy, as indicated at the Informal Meeting of Agricultural Ministers in Mérida during the Spanish Presidency. This is also in accordance with plans expressed in the Budget reform, which states that “rural development should aim at fostering a competitive agricultural sector and innovation in areas like production processes and technological progress; economic diversification in rural areas; preserving the environment and natural resources; addressing climate change, both mitigation and adaptation; helping water management and resource efficiency; and offering specific support to the most disadvantaged in the rural economy – including those facing issues such as desertification” (EC 2010b, p11).

Given the proposals for restructuring programmes between the two pillars, current priorities in rural development might be **reassessed in line with the problems experienced in rural areas**. In allocating the vast majority of resources to the first two axes, problems touched upon in the third axis, which are more about the essence of rural development, can not be properly tackled. Although many measures in the first two axes also have a number of second order effects (enhancing local agricultural employment, tourism, etc.), they are not well-targeted towards improving the standard of living of rural people. It is disappointing, for instance, that one of the most pressing issues in rural areas, namely **rural poverty, is not even mentioned in the text of the Communication**. This problem is to be tackled with targeted measures for enhancing local employment, which should aim to decrease the urban/rural income gap which has been growing continuously in many areas. Improving the standard of living by creating jobs or enhancing diversification in rural areas should be the key priorities for rural development, with both aimed at providing a better standard of living through increased incomes. Policies focusing on enhancing agricultural competitiveness and the provision of public goods, both linked to farming, should be addressed under the first pillar of the CAP.

### **Evaluation of rural development policies**

Currently, the EU is spending €77.66 billion in the 2007-2013 period for Rural Development Programmes (RDPs) without knowing the efficacy and efficiency of its payments and associated policies (Bergschmidt, 2009). Therefore, there is growing pressure for **an evidence-based rationale** for public investment in rural areas in the future CAP.

For the evaluation of the EU rural development policy in 2007-2013, the European Commission has designed a Common Monitoring and Evaluation Framework (CMEF), employing a hierarchy of indicators together with combined evaluation questions (CEQs) to assess the effectiveness of RDPs. In the current system, Member States are responsible for RDP evaluations and these are undertaken by independent external evaluators selected by managing authorities (approved by the Commission in each Member State) to provide results for the synthesis report carried out by the Commission. Moreover, evaluations should be made on an ongoing basis, meaning that ex ante, mid-term and ex post evaluations are to be carried out and reports have to be published so that all stakeholders can learn from them (Midmore et al, 2010).

However, **several critiques emerge** regarding the implementation of the evaluation system presented above. The most common ones, inter alia, are the choice of proper indicators, selection of baseline values, the identification of policy goals and the ineffectiveness of measuring

causality and timing, among which the latter two are of utmost importance in the EU. On the one hand, this evaluation provides no solution to questions of causality in the EU, as current indicators emphasize what has happened but fail to address the issue of how and why it has (or has not) happened (Bergschmidt, 2009). On the other hand, timing is a serious concern as the planning and evaluation of a new programme has to take place before the results of previous ones are published, resulting in a continuous lag between evaluation and policy design.

These issues are not addressed in the Communication, as reference is only given to the simplification and improvement of the CMEF system. However, this might not be sufficient, as several other problems emerge regarding the evaluation of EU rural development policy. Many critiques, for instance, stress that indicators are not comparable among Member States, as their RDPs differ considerably. These concerns call for a revised system of evaluation in the future CAP. What is more, evaluation reports differ in scope and quality between and within Member States, as no European evaluation standard exists for them. These reports mainly fulfil the simple need for synthesis report compilation, and are referred to by many as “box-ticking” exercises; these evaluations and reports have limited impact on future policy formation and lack the interest of the wider public (Bergschmidt, 2009).

It is clear that the future CAP should **assess the policy outcomes against clear and measurable objectives** in order to improve policy performance by incorporating lessons learned into the formation of the policy. The evaluation of rural development policies should not simply be a box-ticking exercise that has to be completed, but should go beyond that and measure the impacts of a policy tool. Evaluation should run parallel with policymaking so that results and lessons learned can be incorporated into future policies. Effective rural development policy requires a framework which includes transparent goals, specific objectives and rigorous evaluation to justify sound policy (Midmore et al, 2010). In the economics literature, there has traditionally been a strong emphasis on economic growth, while modern development economists also consider environmental and social issues to be equally important. Though incorporating various dimensions will cause the whole evaluation to become even more complex, the decision as to what growth to measure will fundamentally determine the targets defined for the evaluation. It seems that the Commission is faced with the same problem it stated in the Communication: “setting quantified targets at EU and then at programme level, possibly coupled with incentives to be studied, such as for example performance reserve” (EC 2010a, p12) are needed to make a shift towards a more outcome-based evaluation. Although the Communication remains silent on how to accomplish this, possible implementation mechanisms are worth considering.

First of all, it is clear that a duality of quantitative targets should be set for the evaluation of rural development initiatives, addressing both EU and programme levels. Consequently, EU-level targets should be valid for all regions across Europe, despite the well known fact that there is no unique model for managing rural development as different regions have diverse characteristics. This contradiction can only be solved if EU-level targets are linked to one or more overall European priorities valid for all European areas. However, this process is hard to implement as priorities defined are usually rather broad and devoid of specific indicators. In terms of sustainability, economic, environmental and social issues are to be addressed, though it is hard to choose a concrete indicator which best represents each category. Even if one chooses the economic category on the basis of the fact that the economic viability of rural communities is the major focus of rural development in many countries, it is hard to choose a concrete indicator

which measures economic viability and declare it the most important from among them. It is not clear, for instance, whether high poverty rates and low income levels are indicators of failure in RDP or if they are simply an outcome of a massive in-migration process. In economic terms, **rural population change or net migration** is the indicator suggested that best reflects the wellbeing of rural communities (Midmore et al, 2010). However, it is questionable as to whether other indicators can be found for the environmental or social priorities concerned.

As to targets for the programme level, a totally different approach is needed. As Member States have the right to put their own emphasis on particular second pillar objectives to a certain extent, the wide range of diversity of rural policies aimed at addressing the regional or local characteristics of rural areas make it impossible to evaluate the efficacy and effectiveness of these policies at the EU level. Therefore, programme-level targets should focus on place appropriateness and be linked to the different measures available. Existing rural development instruments which evolved around the traditional axes can be well measured locally and should support entrepreneurship, provide infrastructure or facilitate access to markets and information in a way that is place appropriate (Midmore et al, 2010).

Irrespective of their levels, it is crucial that targets should be absolutely clear and be connected to outcomes so that we can measure the “success” of policies. However, with traditionally broad priorities and objectives as well as unclear outcomes, rural development policies seem quite hard to evaluate.

Supposing that the targets are set, the indicator-based monitoring system should start to work in practice, measuring the effectiveness and efficiency of public programmes in meeting their goals. In principle, monitoring should be implemented at two levels, in line with the duality of targets defined.

Based on the proposals discussed above, **the future monitoring and evaluation of RDPs should be twofold**, containing aggregate measures of impact assessment (a macro approach) and more disaggregated information (a micro approach). On the one hand, current macro-level indicators which measure the efficacy of RDPs have to be maintained, though a systematic change in the current list of indicators is needed to better address the new targets set at EU and programme levels. On the other hand, a micro-level evaluation is to be developed, addressing the question of causality (questions on why and how things have happened) through employing case studies. The proposal to conduct monitoring for the whole EU territory and evaluate a restricted number of case study regions is in line with the duality of targets discussed above, as it should be clearly seen that both evaluation approaches are needed to capture impacts at different policy levels. By connecting the level of targets and the implementation process, one gets a simple matrix that shows the proposed logic of the future evaluation of rural development policies (Table 1).

**Table 1: The future RDP evaluation system**

	<b>EU level</b>	<b>Programme level</b>
<b>Macro approach</b>	Quantitative evaluation of achieving EU-level targets	Quantitative evaluation of achieving programme-level

		targets
<b>Micro approach</b>	Qualitative evaluation of achieving EU-level targets	Qualitative evaluation of achieving programme-level targets

Source: Jambor, 2011

On the whole, it is both possible and important to learn from the evaluation of rural development policies as evaluation has the potential to play a key role in the rural development policy process. Therefore, evaluation, monitoring and programming should be coherent actions in the future CAP.

### **Budgetary concerns**

At a cost of around €57 billion in 2010, the CAP is still the largest item of expenditure in the EU Budget, though its share has been falling steadily in recent years. According to the EU Budget Review, this trend seems to be continuing, but agriculture still represents a major public investment. Without knowing spending priorities or the size of the overall budget, it seems that the **CAP budget will likely to be cut in the future**. Consequently, this would result in a restructuring of resources inside the CAP in line with the new priorities. The Commission is well aware of this situation, as “constraints of limited budgetary resources” are mentioned in the CAP Communication (EC 2010a, p4). It appears that a more efficient use of budgetary resources will be needed in all areas, including rural development, though many questions emerge in the absence of details (such as EU spending priorities, the size of the budget, or the share each policy will receive).

Primarily, it appears that the **reconfiguration of the two pillars will affect their respective budgetary allocations**, thereby changing the balance of expenditure between the pillars and their associated funds (EAGF and EAFRD). As it is proposed that several second pillar instruments be moved to the first pillar, this would logically be followed by a reorientation of financial resources towards the first pillar. If the overall CAP Budget is to be cut and a clear priority given to first pillar instruments, it is certain that the second pillar’s share, in budgetary terms, will decrease.

However, this would certainly not mean the deprecation of rural development goals inside the future CAP. Contrary to the original idea of modulation, in which the Commission intended to shift money from the first to the second pillar, it is proposed that various payment objectives in the Communication be moved from the second pillar to the first, which would actually result in the enlargement of the budget for traditional rural development objectives. If we consider that the first pillar of the future CAP seems to be “greened”, and that several agri-environmental instruments, including the provision of public goods and LFA payments, appear to be fully or partly moved to the first pillar, this would result in the reallocation of a major part of the current second axis of the second pillar towards the first pillar. Consequently, a significant part of the

agri-environmental measures would be managed by the first pillar, assuming very considerable sums are reallocated to provide environmental public goods in Europe (EP, 2010).

However, besides possible changes in budgetary allocations between pillars, the same question is valid for reallocations by Member States if the CAP support is to be made more “equitable and balanced”, as declared by the Communication. There is a strong need for reallocation for many reasons. First, **current redistribution is highly uneven and based on historical rights** amongst Member States, stressing the need for a more transparent system of resource allocation throughout Europe. Second, the current budget distribution was an outcome of the EU enlargement process and created an Old/New Member State division, to be abolished in the future. Third, current patterns of national envelopes are based on past payments, which are hard to justify under continuously changing market circumstances. Therefore the logical issue of selecting **objective criteria** as a basis for future budgetary allocations instead of past habits emerges, mainly at the demand of European taxpayers.

Neither the method nor the exact amount of such redistribution is outlined though. On the one hand, given the currently significant share of direct payments within the CAP, first pillar reallocations will presumably be surrounded in the heaviest debate, strengthened by the rule-out of the single EU flat rate option. On the other hand, regarding the distribution of rural development support among Member States, “the use of objective criteria should be considered, while limiting significant disruption from the current system” (EC, 2010a, p11). Limiting significant disruption suggests that the use of national envelopes in financing different aid components in the second pillar, as well as the right to determine national distributional priorities inside rural development should remain, with possible minor modifications. Moreover, it seems that the co-financing principle is confirmed within the second pillar, though it remains unclear whether it will be included in the first pillar as well, which would lead to the significant rewriting of budgetary allocations by Member States. However, until the final list of rural development tools and their role in EU- and programme-level targeting becomes visible, the issue of redistributing the second pillar budget by Member States remains at a highly general level.

Though mentioned in the text of the Communication, it is left unclear which objective criteria should be used to provide the basis for future second pillar allocations. Although there is **a clear need for more objective, understandable criteria** in the distribution of second pillar payments among Member States, finding these will be difficult and will result in redistribution not only among Member States, but also among sectors in certain countries. It is quite possible that the decision regarding objective criteria will be followed by the introduction of a transition period, during which a reduced portion of the subsidies will still be based on past entitlements, allowing Member States with a falling share of subsidies to avoid hardship due to the new distributional criteria.

However, based on the future priorities of the CAP, some indicators might serve as objective criteria for future rural development fund allocations by Member States. On the basis of the fact that such criteria should be clear and easily applicable, a number of indicators, linked to quantifiable targets, are advisable. As far as enhancing competitiveness is concerned, the criterion of **agricultural area** (total or utilised) might be a good choice for a number of reasons, as it: (1) can be easily administered and measured; (2) reflects the importance of agricultural activity; (3) echoes equality across Europe; and (4) amply outlines food security potential. As for

environmental protection, **NATURA 2000 area** designation might be considered an optimal criterion as: (1) it is clearly designated and properly administered; (2) it reflects the biological diversity of an area; and, (3) potential efforts by Member States to increase these areas in order to obtain more funding will result in the desirable growth of environmentally protected areas in Europe. As far as new job creation is concerned, the criterion of **GDP/capita** appears suitable. This indicator (1) has traditionally been used for determining the wealth of a nation or a region, (2) can be measured by established methods, and (3) helps those areas with the lowest incomes to receive the highest support, thereby reflecting solidarity.

Moreover, the Communication states that it is essential to strengthen the “coherence between rural development policy and other EU policies, while also simplifying and cutting red tape where possible. To this end, a common strategic framework for EU funds may be envisaged” (EC 2010a, p11). The EU Budget Review also calls for a better synergy between rural development and other EU policies, in line with Europe 2020. The common strategic framework, as indicated in the EU Budget Review, would replace the currently separate strategic guidelines for policies and would ensure better coordination between them. It would actually cover the Cohesion Fund, the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD) by identifying linkages and coordination mechanisms with other EU instruments such as programmes for research, innovation, lifelong learning, and networks. If this vision of the Commission were implemented, it would have far reaching impacts on the whole system of rural development.

The main question here is the **place of rural development within the EU policy framework**. Arguments regarding this issue can be grouped into two categories: those in favour of the CAP retaining a rural development function and those in favour of the Cohesion policy playing a greater role in rural development. On the one hand, the CAP has recently expanded its traditional agricultural focus to a broader array of rural actors via Axis 3 and 4, though many measures of the other axes also have a number of second order effects (enhancing local agricultural employment, tourism, etc.), retaining people in rural areas. This process strengthens the retention of rural development policy inside the CAP together with the fear that cohesion policy would be more likely to focus on urban centres rather than rural areas. Transferring selected second pillar measures to the Cohesion Policy would possibly be followed by a reallocation of EU funding which may have detrimental effects on rural development policies. This would basically change the policy architecture by changing redistribution among regions, economic sectors, and what is more, among Member States. Those Members which have great traditions of supporting rural areas may continue doing so from their own budgets, while those lagging behind might find themselves in a situation which is hard to tackle.

On the other hand, there are also strong grounds for arguing that rural development should be reallocated into Cohesion Funds. While debate on the future CAP is already under way, discussions have also started on the future of the Cohesion Policy. Through these inter-linked debates, it seems that DG Regio considers itself well equipped to manage rural development (IEEP, 2009). One of the strongest arguments, put forth by DG Regio, is that such a shift would bring increased coherence in rural development at the EU level. Coordination of the various EU Funds seems to cause difficulties for many Member States concerning their management, thereby causing the lack of synergies and a number of overlaps between them. Given the text of the Communication, this latter option would not only mean the removal of Axes 3 and 4 from rural

development policy, but a part of Axis 2 as well, significantly downgrading the role of the second pillar.

It seems that both agricultural and cohesion policies have strong links to rural development. Many people in rural areas are seeking an overall improvement in living conditions, which, to some extent, can be targeted with agricultural policies, while regional or social policies can also be used to this end. Therefore, it is advisable to **integrate all rural development policies under a common umbrella by establishing a new fund** containing the rural development elements of all associated EU policies. This would decrease overlaps and increase the efficiency as well as the focus of rural development measures. Currently, rural-related policies are pursued with different instruments, managed by different ministries and institutions and have never been integrated under the rural label. The new approach and the associated new fund would support more integrated and better coordinated treatment of all rural-related policies.

## Conclusions

Considering the numerous uncertainties discussed above, it is too early to define the final role of rural development in the CAP after 2013. However, the paper has led to a broad range of conclusions, which can be summarized as follows:

1. The **Communication remains at a high level of generality** in most cases, but it seems that the role of rural development is likely to be downgraded in the second pillar with the moving of several of its existing instruments to the first pillar.
2. Rural development should aim to promote competitiveness, enhance the sustainable management of natural resources and create balanced development of rural areas in the future, echoing aims of the current axes of the second pillar. Although no reference is made to rural development axes in the Communication, **no major changes regarding future priorities are expected**. However, the **alleviation of significant rural poverty** should be a future priority, and be aimed at decreasing the urban/rural income gap which has continuously grown in many areas.
3. Effective rural development policy requires a framework which includes transparent goals, specific objectives, better targets and rigorous evaluation to justify sound policy in the future. Therefore, **quantifiable EU- and programme-level targets supporting an outcome-based approach** in the field of rural development should be defined and properly evaluated. The current evaluation of rural development programmes should be changed according to the new outcome-oriented approach. **Macro- and micro-level evaluations** are advisable so as to obtain a full picture regarding the results of various policy instruments.
4. It seems that the **CAP budget will likely to be cut in the future**, resulting in a restructuring of resources within the CAP in line with the new priorities. Rural development should be a major part of the CAP with proper budget allocations. It appears that the reconfiguration of the two pillars will **affect their respective budgetary allocations**, thereby changing the balance of expenditure between the pillars and their associated funds. Reallocation of rural development resources by Member States are highly needed, possibly through the use of **objective criteria**. Such criteria should be clear and easily applicable and should be connected to priorities. The

indicators of ‘**agricultural area**’, ‘**NATURA 2000 area**’ and ‘**GDP/capita**’ might serve as initial proposals to be considered.

5. Proposals on creating coherence between rural development policy and other EU policies are of utmost importance. **The integration of all rural development policies under a common umbrella is needed** - a new fund containing the rural development elements of all associated EU policies should be established. A new approach and the associated new fund would ensure integrated and better coordinated treatment of all rural-related policies.

6. The current CAP is designed and based around the conditions of EU-15 countries. The experience of the first five years of the NMS indicate that even with possible modifications, this system is not completely appropriate, given the varied conditions of these countries. The future CAP should recognise the **diversity of EU agriculture and implement a differentiated policy which does not apply the “one-size-fits-all” approach.**

## References

BERGSCHMIDT, A. (2009): Powerless Evaluation, EuroChoices, 8(3), p.37-42

EUROPEAN COMMISSION (2010a): Communication on "The CAP towards 2020: Meeting the food, natural resources and territorial challenges of the future" COM (2010) 672 final, Brussels

EUROPEAN COMMISSION (2010b): Communication on “The EU Budget Review” COM (2010) 700 final, Brussels

EUROPEAN COMMISSION (2010c), "Europe 2020: A strategy for smart, sustainable and inclusive growth" COM (2010) 2020, 3.3.2010 final, Brussels

EUROPEAN COUNCIL (2010d): Agriculture Council of 15 February 2010, Brussels: Market management measures post 2013, Presidency Paper and Questionnaire (doc. 6063/10)

EUROPEAN COUNCIL (2010e): Informal meeting of Agriculture Ministers (Mérida, Spain): Agriculture and reform of the CAP in the perspective of the EU 2020 Strategy, Presidency Paper, 1st June 2010 (doc. 8728/10)

EUROPEAN PARLIAMENT (2010): The CAP towards 2020: Working Paper on the EC Communication of 18 November 2010, EP Note, IP/B/AGRI/NT/2010\_17.

IEEP (2009): The Future of Rural Development: The Role of the CAP and Cohesion Policy, CAP2020 Policy Briefing, 05/2009

JAMBOR, A. (2011): Rural Development in the CAP post 2013. European Parliament Note, IP/B/AGRI/IC/2011\_005

MIDMORE P., PARTRIDGE M.D., OLFERT M.R. AND ALI K. (2010): The Evaluation of Rural Development Policy: Macro and Micro Perspectives, EuroChoices, 8(3), p.24-29