



Cross compliance

- History of CAP
- General Inspection Service
- Implementation of Cross compliance in NL





History of CAP

EEC start after WW2


- improve and secure food production
- ascertain a reasonable income for farmers

CAP from 60's – 90's

- production related



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2003: CAP reform

- 2004/2007 12 new MS, EU budget not sufficient anymore
- CAP is distorting markets
- CAP is having negative consequences for the landscape and for the environment,
(water pollution due to increased use of pesticides and fertilisers and decreased biodiversity)



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2003 major changes

- from 2005 Direct income aid for farmers
- decoupling production and CAP subsidies
- time schedule for decoupling per MS

Amount of subsidy (direct income aid) based on historical rights (2002-2004)

- amount per ha
- ## Single Farm Scheme



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conditions:

- **maintain your farming business**
- **work in compliance with rules for *good behaviour***

(Statutory Management Requirements)

SMR's = rules for what we as a society consider to be of relevance for 21st century farming

- **Animal welfare**
- **Food safety**
- **Food quality**
- **Environment**

Nature protection



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Nothing new !!





What is Cross compliance?

- 1.the obligation for MS to check via o.t.s.c. the farmers to see if they are in compliance with the rules (SMR's)**
- 2.the obligation for MS to apply sanctions for farmers who are non-compliant**

- 1% selection (R.796/04)**
- Spontaneous reporting from regular scrutiny of Directives and Regulations**





Sanctions for not respecting SMR's:

- **CAP payments may be reduced or, in extreme cases, cancelled**
- **in addition, apart from cross compliance, (national) sanctions under the Directives or Regulations concerned**



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Cross compliance applies to

- a major part of the EU budget (around 40 billion euro)
- around 5 million farmers



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General Inspection Service

aid

From enforcement to compliance

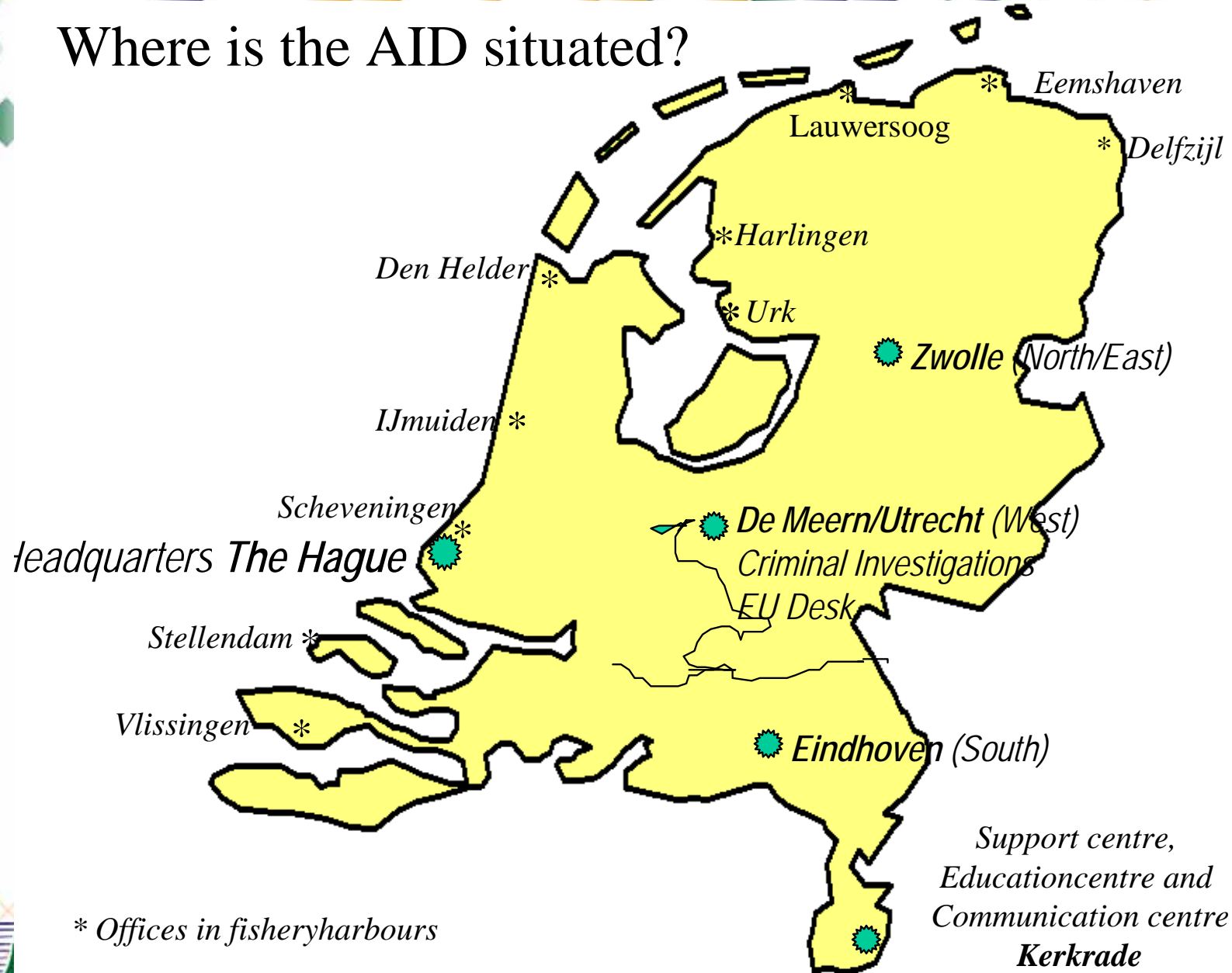


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Where is the AID situated?



* Offices in fishery harbours



What we do...

The AID enforces **450 regulations** and **55 laws**

- mainly from the Ministry of Agriculture, Nature and Food Quality (LNV) and from the EU
- and investigates cases of **criminal offences**



the AID organisation

inspectories

Inspectorate North and East
Zwolle
Inspectorate West
Utrecht
Inspectorate South
Eindhoven

Criminal Investigation Unit
Utrecht

teams

Fertilisers / Manure	Livestock farming, animal health and animal welfare
Nature preservation	Arable farming
Fisheries	Plants and plant protection
Administrative controls (subsidies)	Meat and carcass disposal
	Animal foodstuffs, medicines and hormones





Monitoring of e.g. :

- Veterinarian practices
- Carcass disposal
- Use of crop protection agents
- Animal welfare at the farm and during transport
- Milk quota system
- Aid schemes, intervention schemes
- Producers organisations for fruits & vegetables
- Trade in protected species
- Hunting
- Use of manure and manure transportation
- Fisheries (at sea and inland waterways)
- Identification and registration of animals
- Food and feed hygiene
- Export refunds
- Rural development





Implementation of Cross compliance in NL

- Political objective for the cross-compliance control system:
 1. **simple,**
 2. **transparent,**
 3. **feasible and**
 4. **with reasonable costs**
- **Control Authorities**
 - Carrying out controls and reporting to PA
- **Paying Agency**
 - Fixing and applying reductions to payments





Control authorities

- Controls are **as much as possible** delegated to the competent specialized control authorities
- The cross-compliance control system is in association with (but not interfering) their existing control and enforcement practices
- Adequate exchange of information between control authorities must be guaranteed



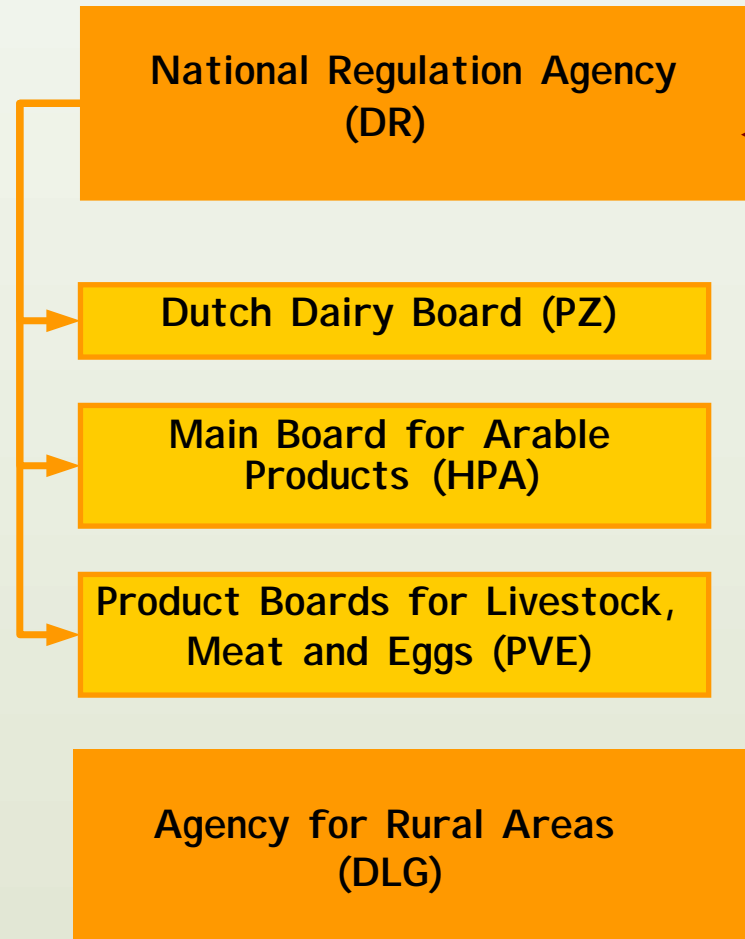


Involved partners

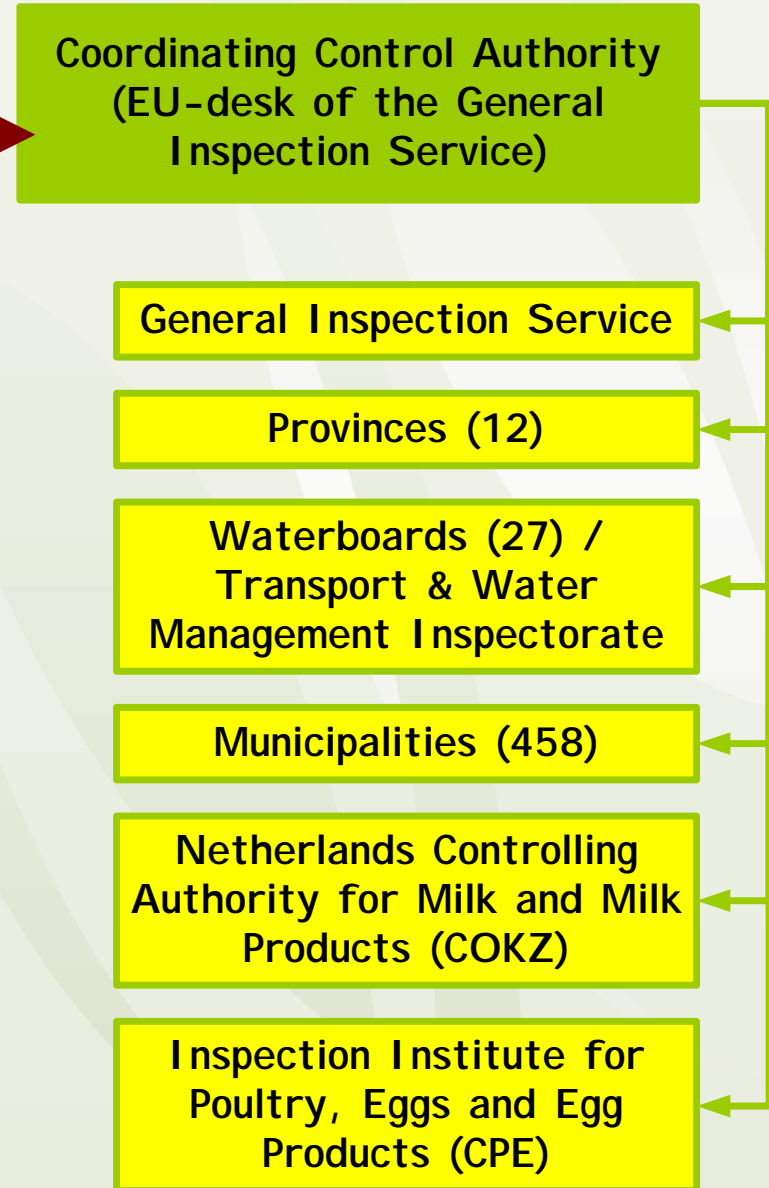
- **Ministry of Agriculture, Nature and Food Quality**
 - Ministry of Environment,
 - Ministry of Home Affairs,
 - Human Health and Welfare
- **2 Paying Agencies (+ 3 delegated bodies)**
- **1 Coordinating Control Authority**
 - 6 Specialized control bodies
 - Food and Consumer Product Safety Authority (VWA)
 - Police
 - National Inspection Service on Animal Welfare (LID)



Paying Agency

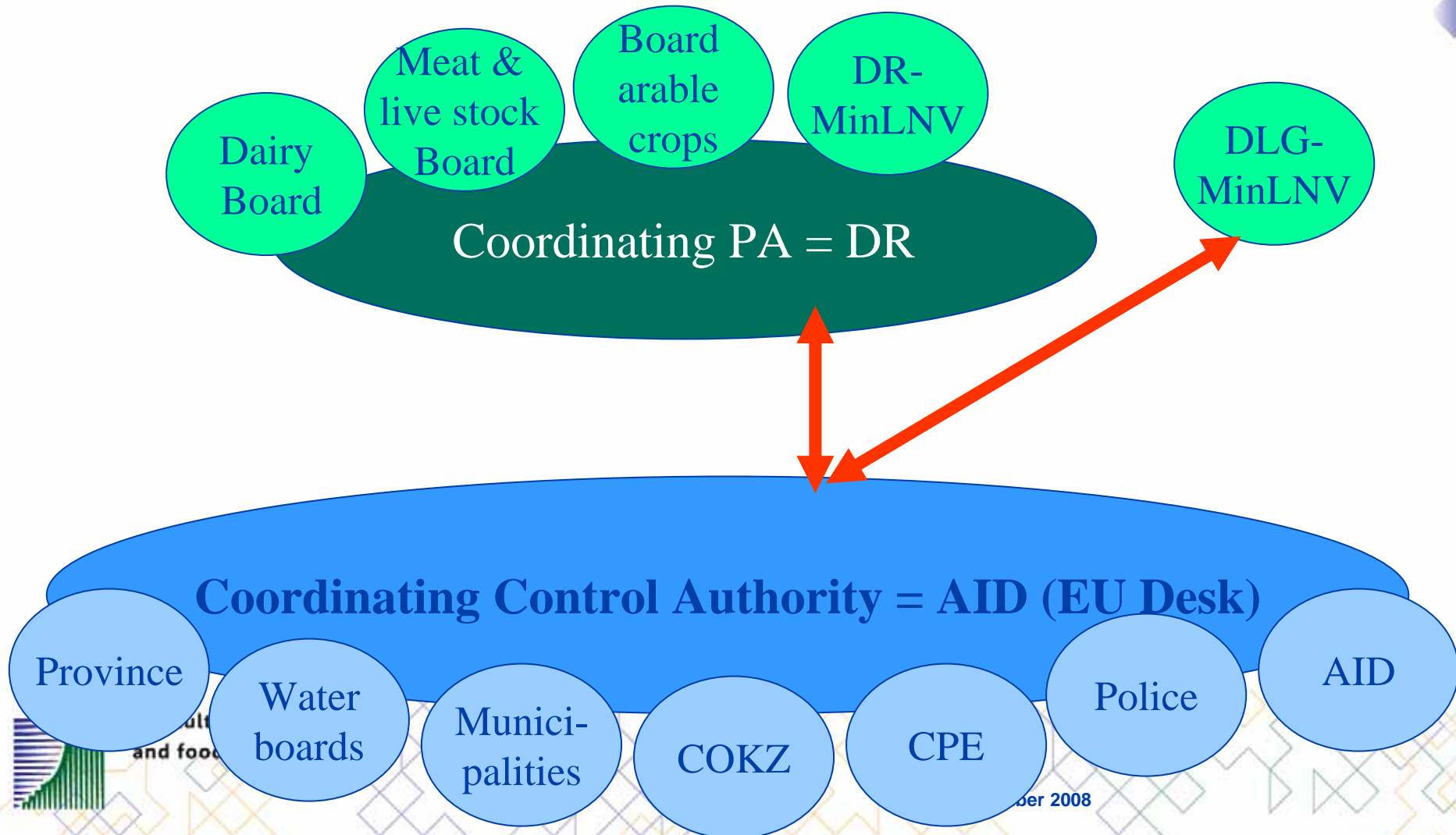


Competent Control Authorities





Controlmodel for XC in the Netherlands





Cooperation between control authorities

- Coordinating Control Authority assists the other specialized control authorities (**hybrid model**):
 - Only one **(1) integrated risk analysis** and **selection (1%)**
 - Coordination and planning of **combined control visits (o.t.s.)**
 - Registration control results in one **central database**:
 - Results from the 1% selection
 - Results from their regular scrutiny of Directives and Regulations
 - Reporting all validated control results to the PA





Control competence (2007)

Derived from their existing enforcement competence:

control authority	number of SMR/GAEC	percentage
AID	187	88,9%
Province	15	7,1%
Waterboard	1	0,5%
Municipality	1	0,5%
COKZ	6	2,8%
CPE	1	0,5%
Total	211	100%





Administrative costs

- **Number of controls in selection 2007: 750**
- **Dutch SMR's and GAEC's are all existing (at least) national legislation**
 - Administrative burden for the farmer is limited
- **Administrative costs for national authorities still high**
 - Control model based on cooperation
 - Long list of SMR's and GAEC's to be checked
 - Compulsory inefficient control procedures





Farmers response

- **Farmers generally accept cross compliance in return for (uncoupled) direct payments, but**
 - cross compliance is experienced as a black box,
 - reductions seen as a double sanction, and the
 - burden of different controls as too high (more cooperation between public and private quality systems or certification schemes)



Number of requirements per sector

	2005	2006	2007
Environment	66	55	57
Health	33	40	72
Animal welfare	n.a.	n.a.	69
GAEC	9	9	13
Total	108	104	211





Difficult or problematic SMR's

- **Habitat Directive**
 - present designation process
- **Hygienepackage (GFL)**
 - no concrete or controllable standards (open requirements)
- **I&R**
 - Area with most non-compliances
 - Differences between national and EU standards
- **Animal Welfare**
 - Differences between national and EU standards
 - Area of high political attention





Difficult or problematic GAEC's

- **Minimum livestock stocking rates or/and appropriate regimes**
 - Standard not necessary as a result of high intensity agriculture; from biodiversity even unwanted
- **Avoiding the encroachment of unwanted vegetation on agricultural land**
 - No risk of land abandonment in the Netherlands, nor of deterioration of habitats
- **Maintenance of olive groves in good vegetative condition**
 - Evidently not applicable in the Netherlands

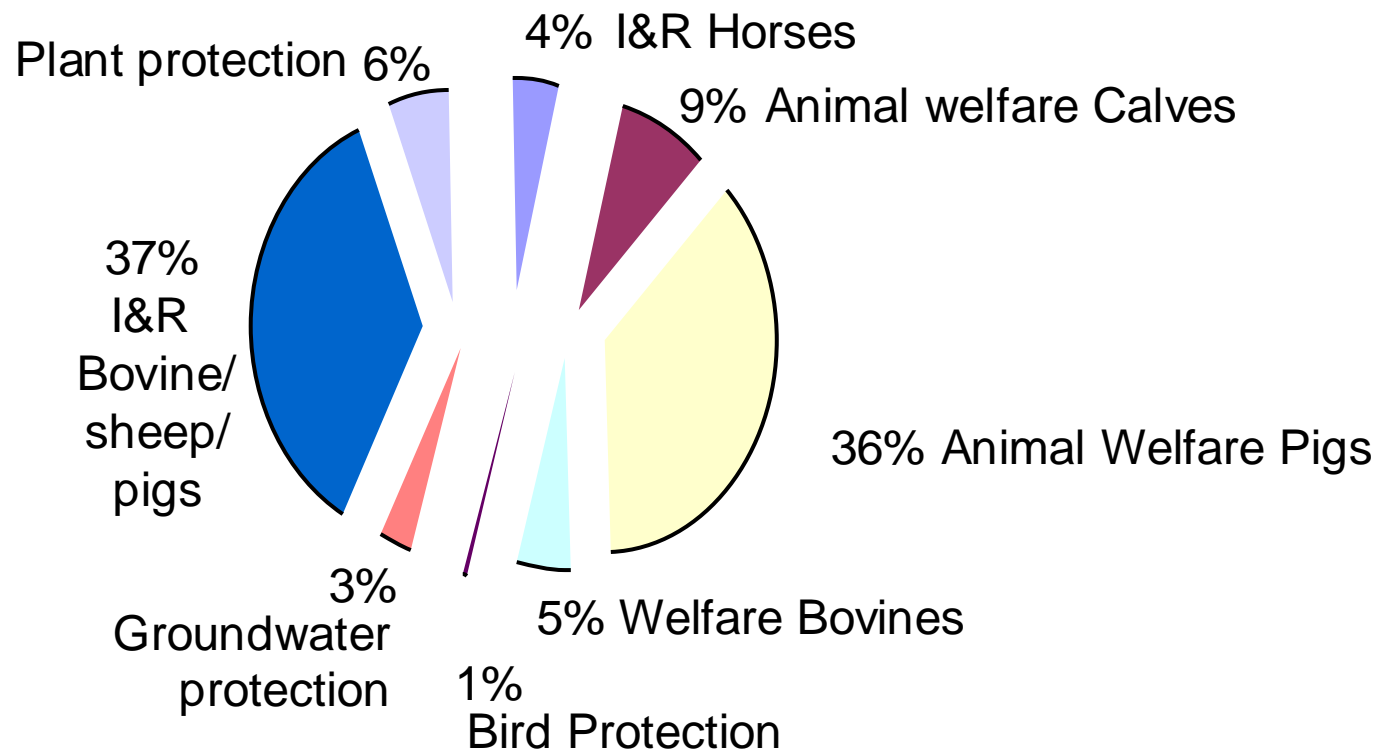


Some figures

ca. 500 non-compliances yearly reported to PA

1% selection = 10% - other = 90%

Non Compliances 1% selection 2007





Thank you ...

for your attention!



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