

<b>Publication</b>	AFP
<b>Date</b>	July 9 <sup>th</sup> , 2002
<b>Title</b>	<i>Revision of EU's Common Agricultural Policy is not policy change: Lamy</i>

The European Union's trade commissioner Pascal Lamy said Tuesday the mid-term reform plan of the 15-nation bloc's agricultural policy to be announced this week does not amount to a change in policy.

"We do not change the policy so... it is not a reform -- a reform is changing the policy," Lamy told members of the European Business Community in Japan.

"We remain on the track which we initiated in the 90s which is progressively switching from price support to revenue support so that our prices become more and more trade friendly."

Under the widely-leaked revision of the 40-year-old Common Agricultural Policy, due to be unveiled by Agriculture Commissioner Franz Fischler on Wednesday, EU farmers will still receive huge direct subsidies.

But the money will no longer be tied to how much they produce.

Instead market forces would guide farmers in what they grow, with the subsidies being linked to environmental and animal-welfare standards.

The CAP has an annual budget of 40 billion euros (39.4 billion dollars), accounting for nearly half of total EU expenditure.

In 1999, the commission adopted a framework for the five year period from 2002-2006, but decided there should be a review between 1999 and 2006 "and that's what we are doing," Lamy said.

Public opinion in Europe concerning agriculture had changed, Lamy said.

"When you look at the polls, when you listen to people, what European citizens want today is basically food safety and an environmentally friendly agriculture -- and we have to take this into account."