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Study of European Union Common Agricultural Policy—France Agricultural Policy analysis

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Abstract:

The objective of this thesis is to take France as an example to gain insight into the history and status quo of the Common Agricultural Policy (CAP) and to better understand the achievements, such as the realization of self-sufficiency, and the failures, such as food surpluses and inefficiencies that the CAP has made. In doing so, it attempts to draw lessons from the experiences of the European Union's CAP reform by recognizing the advantages and disadvantages of the CAP. A modified Delphi approach was applied in this study to gather the opinions of a group of experts on some key issues related to the CAP with the aim of producing an accurate and unbiased estimate. The CAP is becoming a very expensive policy and has resulted in the loss of the EU's competitiveness in the global market. The thesis argues that the price subsidy method is the root cause of this problem, and it should change the price subsidy into direct subsidy.

In the future, it has two aspects that need to be improved, one is to reinforce the market control, the EU should adjust and optimize the agricultural market, and also include the structural readjustment of rural industry. It is also required to open EU agricultural market to the other countries. Meanwhile, EU should strengthen the market macro-control. To solve a huge financial burden, in order to improve the international competitiveness of EU agriculture, it is also required to enhance the transparency of financial support expenditures.

In addition, the simplification focuses on making the CAP law making system simpler, and provides a full set of market-specific coordinated practices without impacting the existing mechanism and means. This began with the reform launched in 2003, which expanded the horizontal approach and maintained all essential points of the established patterns. One unified market institution is expected to replace the old ones, which is the main resolution related to the new tactic of simplification. The EU shall also continue performing activities for the simplification carried out in order to improve evaluation and clarify EU agricultural regulations. Lastly, a simplification plan of the CAP, based on comments on the existing information exchanges among EU members or stakeholders, must be created by EU.