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Poland Among Largest Beneficiaries of CAP 2014-2020.

Report Categories:

Policy and Program Announcements

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Report Highlights:

Poland is among largest beneficiaries of the Common Agricultural Policy (CAP) budget for 2014-2020 approved by the EU Parliament on November 20, 2013. Poland's allocation of the CAP budget for 2014-2020 will amount to over Euro 32 billion (US\$ 43.5 billion). It is estimated that under the new CAP budgetary perspective Poland will receive 12 percent more funds for direct payments and rural development than it received during the CAP 2007-2013 period.

General Information:

On November 20, 2013, the European Parliament (EP) approved four regulations related to the Common Agricultural Policy (CAP) budget for 2014-2020. This is the last formal step in the EP negotiation process on regulations to enforce the new financial perspective of the European Union. Before publication of the official regulation it has to be also approved by the European Council which has a vote scheduled for December 16, 2013. The EP approves the general budget of the new CAP but detailed implementing acts prepared by the European Commission allow for practical enforcement of the new CAP.

Poland's allocation of the CAP budget for 2014-2020 will amount to over Euro 32 billion (US\$ 43.5 billion). It is estimated that under the new CAP budgetary perspective Poland will receive 12 percent more funds for direct payments and rural development than it received during the CAP 2007-2013 period (see table below).

Poland's Allocation of EU-CAP Funds for 2014-2020
(In millions of Euro)

Total								
	2014	2015	2016	2017	2018	2019	2020	2014-2020
Direct Payments	2,970	2,987	3,005	3,022	3,042	3,062	3,062	21,148
Rural Development	1,570	1,567	1,565	1,563	1,561	1,559	1,556	10,941
Total	4,541	4,557	4,573	4,589	4,607	4,625	4,623	32,081

According to the project of the regulation concerning Pillar I - direct payments, Poland will be allowed to continue a simplified system of direct payments (SAPS) until 2020. Components of the new direct payment system will include payments:

- i. for farm activities favorable for climate and environment (greening),
- ii. for small farms,
- iii. for young farmers,
- iv. coupled with production, and
- v. to areas with natural limitations.

The direct payments will be paid only to active farmers.

Poland remains the largest beneficiary of Pillar II of CAP and European cohesion funds within the EU-28 and sixth largest beneficiary of Pillar I - direct payments allocation (after France, Germany, Spain, Italy, and Great Britain). The overall EU payment per one hectare of arable land in Poland is expected to achieve the average level for payments of the entire EU.