

'Eradicate poverty' was the historic promise made by 189 Heads of State and Governments with the signing of the Millennium Declaration in 2000. Despite some inspiring successes over the past ten years, achieving the 8 Millennium Development Goals (MDGs) will require a series of urgent measures by Governments both in the North and the South.

Immediate action is needed to achieve the MDG's by 2015.

European donors must increase the quantity of aid and improve its effectiveness. They must also reform the EU's Common Agricultural Policy (CAP) which still impedes developing countries from lifting themselves out of poverty.

Give Development a Chance



Europe's Common Agricultural Policy (CAP) needs urgent reform

Subsidies are supporting wealthy farmers.
The negative impact of CAP subsidies on developing countries is particularly unsettling as the beneficiaries of EU support are frequently large agribusinesses. In 19 EU member countries, the top 10 percent of beneficiaries receive more than 40 percent of total CAP payments, while in five other EU countries, this rate goes beyond 70 percent. Considering that only 2.5 percent of Europe's economically active population is employed in agriculture-related businesses, the level of support provided is enormous (CAP spending accounts for more than 40% of the EU budget).

CAP money is harming the environment.
The highest CAP payments are often concentrated on some of Europe's most environmentally unfriendly farming activities such as intensive monoculture and livestock operations. Traditional farming systems which are crucial for the conservation of biodiversity, are systematically penalized, as indeed is extensive grazing on marginal lands.

CAP policies undermine development objectives.
Subsidies have led to agricultural overproduction, pushing down world prices and prompting EU farmers to dump their products abroad. In developing countries, cheap agricultural imports have reduced competitiveness of local farmers, thus destroying productive capacities and deterring agricultural investments. By imposing high tariffs and other protectionist measures on agricultural imports, CAP policies have also reduced access to European markets.

Reforms to date have been insufficient.
Efforts to make the CAP less damaging to developing countries have fallen short of the real needs. The EU has kept tariffs prohibitively high on products it considers 'sensitive' for the welfare of European farmers. Administrative hurdles in tariff exemption programmes are additional obstacles for poor farmers to export to the EU.

- The Millennium Development Goals (MDGs)**
1. Eradicate extreme poverty and hunger
 2. Achieve universal primary education
 3. Promote gender equality and empower women
 4. Reduce child mortality
 5. Improve maternal health
 6. Combat HIV/AIDS, malaria and other diseases
 7. Ensure environmental sustainability
 8. Develop a global partnership for development

Urgent reform is needed. EU farm policies should help - not hinder - the achievement of important objectives such as reaching the Millennium Development Goals, ensuring environmental sustainability and improving social equity. As EU member countries enter into negotiations over the next EU budget, they should review the current subsidy levels that have led to ballooning deficits and spending. Now is the time to fundamentally reform the CAP which has resulted in waste and inequality at home and crippled developing countries abroad.

END DUMPING NOW!

www.endpoverty2015.org

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