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Confédération Européenne des Entrepreneurs de Travaux Techniques Agricoles et Ruraux European Organisation of Agricultural and Rural Contractors

Zentralverband der europäischen Lohnunternehmer

## **PRESS RELEASE**

For immediate release

## Does the EU really want to support all those who are involved in the agricultural production?

The agricultural, rural and forestry contractors fear circumvention of the principles of the treaties in the field of competition law and demand an integrated approach to the CAP, taking into account not only the diversity of territories, but also those of the actors. The ability of the CAP to support the collective investment must at least be accompanied by similar assistance for entrepreneurs who perform the same work in the same economic environment.

The agricultural contractors, who carry about 50% of farming in Europe, strongly contribute to the competitiveness and sustainability of the European agriculture, and participate in the debt relief of farmers, by providing highly technical equipment and qualified personnel.

While maintaining a system of free competition and free of distortion is a fundamental principle of the European Union, the proposed Regulation for the rural development overcomes the EC principles on state aid, is to say ensuring free competition and efficient allocation of resources.

The European Union is in the process of setting new goals for the next decade for the agricultural production, the method of production and the rural development. It is unacceptable that it could establish measures contrary to Community law and inefficient for the agricultural sector.

This Wednesday, November 16, Gerard Napias, president of the CEETTAR, justified to the Members of the Agriculture Committee of the European Parliament the contractors' opposition against discriminative legislation in terms of physical investments, "co-operatives for the use of agricultural machinery and contractors perform the same tasks in the same legal conditions and it is not acceptable that they be treated differently."

Moreover, entrepreneurs point out that this Commission proposal is inconsistent with the objective of European for a more competitive agriculture. By strengthening innovative and competitive players such as the agricultural contractors, the Commission would increase the effectiveness of its measures. The agricultural, rural and forest contractors deploy their equipment over a larger number of hectares and hours. The effect of the subsidy per euro invested is therefore multiplied, allows further reduction of marginal costs and supports the competitiveness of a larger number of farms in Europe.

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## Note to editors:

The European Organisation of Agricultural and Rural Contractors (CEETTAR), created in 1983, represents 84,000 independent enterprises and 425,000 employees, affiliated to national organisations in 13 Member States.