



Delivery of Public Goods through Agriculture

- Framework and Tools -

Caroline Raes

**Directorate General for Agriculture and
Rural Development**



European Commission
Agriculture and
Rural Development



Challenges and Opportunities



Habitats
Biodiversity

Cultural
Landscape



Food Supply



Climate
Rural
Vitality

Biomass

Economic
Viability



Resource-
management



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How to meet Society's Needs?

Markets are effective co-ordination mechanisms ensuring that supply matches demand. However markets do not deliver all matters of societal interest!

The concept of **Public Goods** provides a long-established approach (Samuelson 1954) for dealing with today's questions:

- Why do we need for **policy intervention**?
- Which societal needs would not be satisfied through **markets**?
- Which **CAP measures** encourage effectively the provision of public goods through agriculture?



Which are the Characteristics of “Public Goods”?

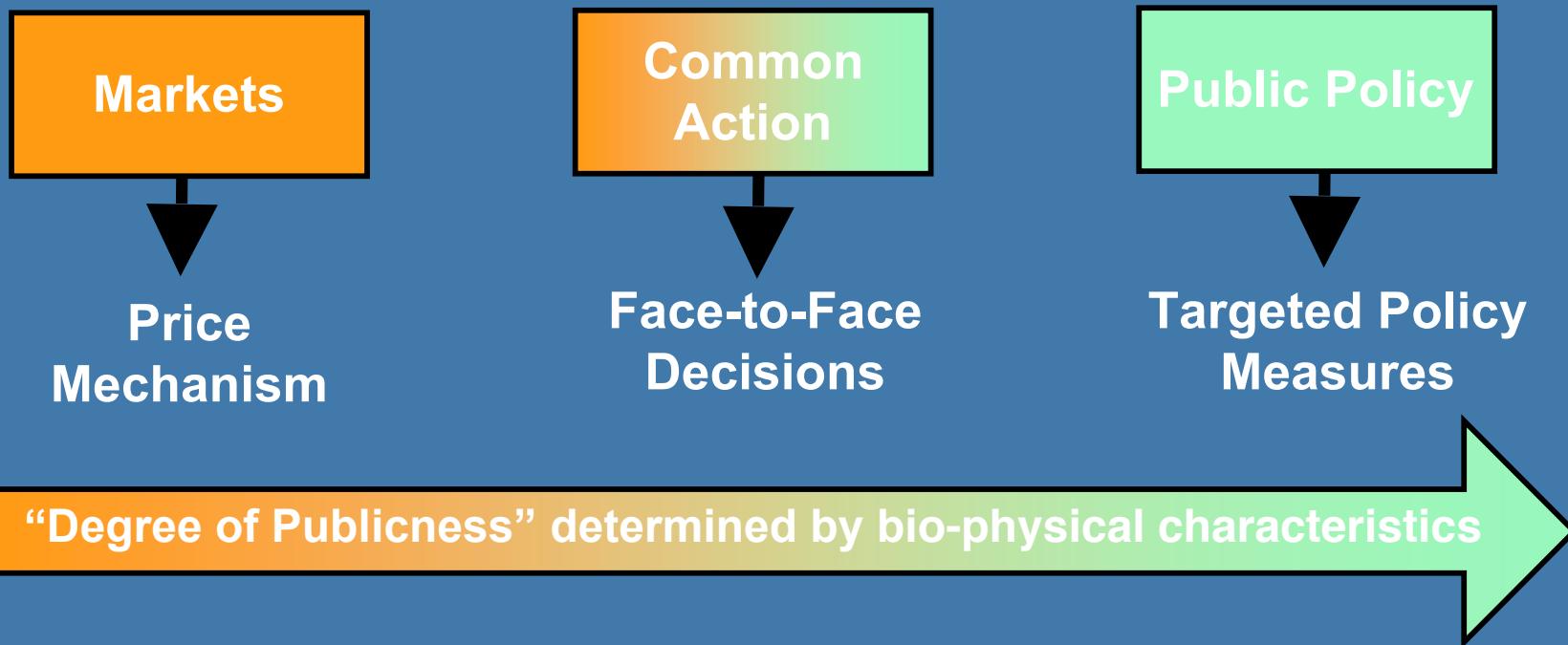
- A **public good** is the outcome of deliberate action that would not be provided satisfactorily via markets
- The specificity of public goods is based on two defining **characteristics**:
 - **Non-rivalry** – if the good is consumed by one person it does not reduce the benefit available to others.
 - **Non-excludability** – if the good is available to one person, others cannot be excluded from the benefits it confers



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Which economic coordination mechanism for which needs?

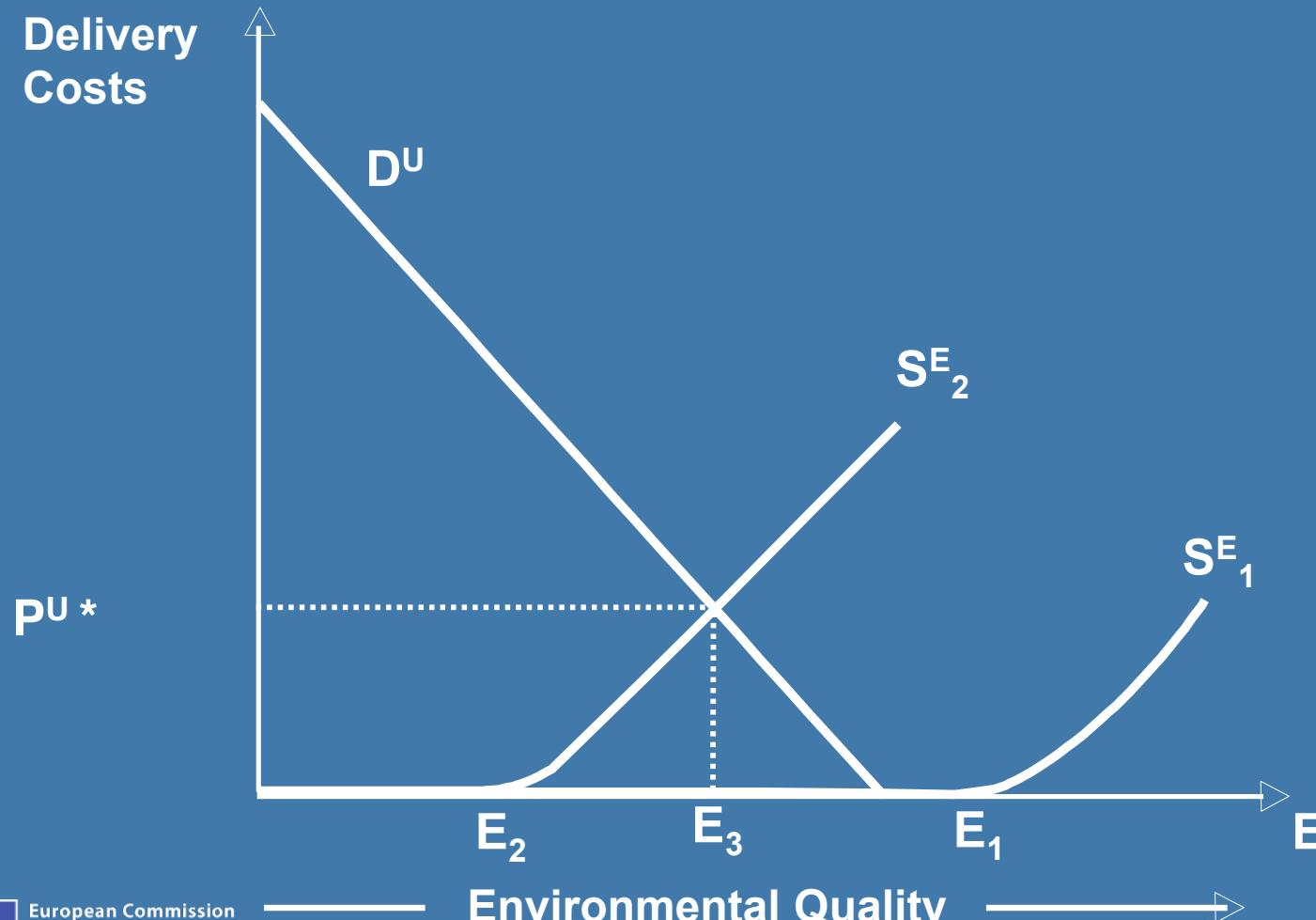


Additional criteria:

- **Common interest (non-user values)**
- **Financial solidarity**
- **Ensuring a level playing field**



Provision of Environmental Public Goods on the Basis of Cost Incurred and Income forgone



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Multi-criteria Analysis and Impact Assessment

1. Establishing criteria and indicators based on expert knowledge

2. Setting of targets against baselines reflecting SWOT Analysis

Assessment of alternative instruments

(ex-ante evaluation)

Budgetary constraints

SWOT-Analysis

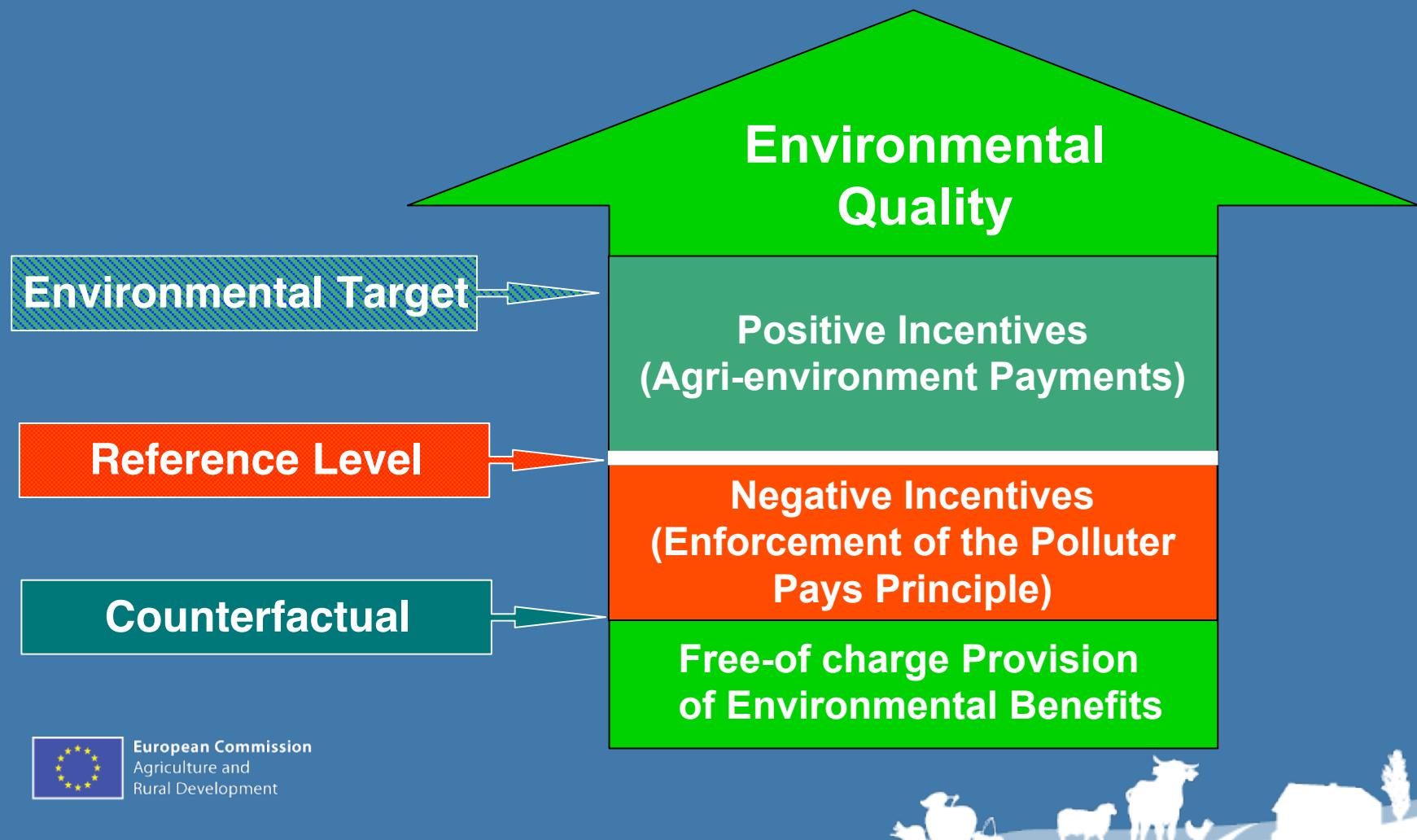
Base-lines

Matrix of competing needs

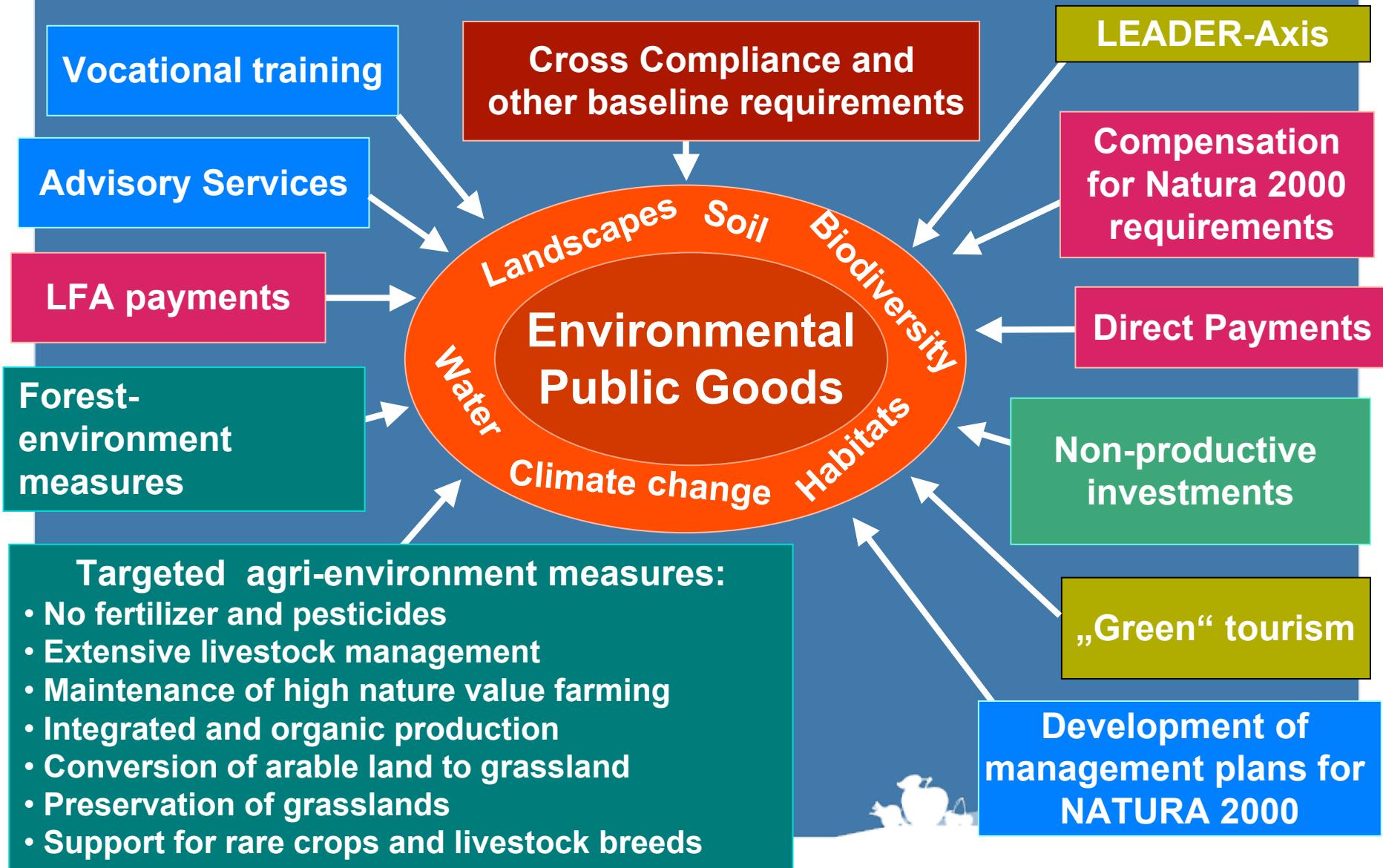
Hierarchy of objectives



Provision of Environmental Benefits Versus Avoiding Harmful Effects



Integrated Targeting: Encouraging the Provision of Environmental Public Goods



The CAP after 2013 - key questions

📁 Why do we need a Common Agriculture Policy?

📄 What are society's objectives for agriculture in all its diversity?

📅 Why should we reform the current CAP and how can we make it meet society's expectations?

⌚ What tools do we need for tomorrow's CAP?

