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# Budget of the EU and Common Agricultural Policy for 2014-2020 in the light of the polish interests

## 1. Introduction

It took the European Council and the European Parliament more than two years to reach a compromise after the European Commission presented a proposal of the EU budget and the Common Agricultural Policy (CAP) reform. Negotiations between Member States were very difficult, since there was no agreement on some of the proposed solutions. As far as the general direction of changes is concerned, one can distinguish three parties. The first one voted for maintaining current level of budgetary expenditures; the second one opted for strengthening the budget, like it was done in previous budgets; and the third one, which is seen as the most far-reaching, assumed reduction of support and re-nationalization of some measures (European Commission 2011). From the perspective of the last few months, it can be concluded that the EU budget and the CAP budget for 2014-2020 reform project combines elements of the first and the second option and it definitely rejects the idea of re-nationalization of the EU policy. The latter would be difficult to accept especially by poorer EU Member States, not only because they are now a net beneficiary

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of financial flows related with the CAP, but also because of the possibility of diversification of the agricultural support level within the single market and thus distorting competition (Czyżewski, Stępień 2009, pp. 451-452). Finally, it was agreed that CAP would remain a common policy, however with reduced budget. Reductions affected also Poland, especially in terms of rural development funds.

The main aim of this paper is to present the EU budget proposal, especially with regard to the agricultural sector, which has been initially agreed at the meeting of the European Council on 7-8 February 2013 and the meeting of the AGRIFISH on 18-19 March 2013 and approved by the political agreement of the European Commission, European Parliament and European Council on 27th June 2013[1]. The voting on the legal regulation, which is the final legislative version of the new EU budget, took place in November 2013. This publication compares the CAP financing proposal with the budget 2007-2013 and the European Commission reform proposal from 2011. The analysis of the total EU budget for the next seven years will play a role of an introduction to these considerations. The article is based on the report prepared for the IX Congress of Polish Economists, which took place on 28-29th November 2013 in Warsaw.

## 2. Budgetary conditions of the future financial perspective

The EU budget for 2014-2020 was determined during economic slowdown in the European Union. Many governments had problems with public debt, especially those from the PIIGS group (Portugal, Italy, Ireland, Greece, Spain). Additionally, the financial institutions (mainly German and French banks), which were engaged in financing such debts, required help. Under these conditions appeared proposals of reducing EU budget and re-nationalizing some measures. The United Kingdom was a leader of this party and was supported by countries such as Sweden, the Netherlands and Denmark. Also Germany, the biggest net payer, voted for lower budget, because they were looking for some savings due to the financial help transferred for Greece. The starting point for the new financial perspective for 2014-2020 was the European Commission proposal, which assumed commitments[2] at the level of 1025 billion euro, taking into account

1 On 3rd July the European Parliament passed the resolution in which it supported a political compromise with governments, which concerned the EU budget for 2014-2020. 474 MEP supported the budgetary compromise, 193 were against and 42 abstained from voting.

2 The EU budget is presented in two versions: as commitments and as expenditures. Commitments represent the EU budget on an accrual basis and include the total value of all contracts that the EU

the budget for 2007-2013 (1035 billion euro). During the negotiations, Cypriot Presidency reduced that figure by 50 billion euros (however if one calculates programs supporting innovation, which were placed outside MFF, the reduction amounted to 70 billion euros) and the European Council, chaired by Herman Van Rompuy, by another 40 billion euros (although the British demanded 200 billion euros cuts).

Finally, on 7-8 February 2013, at the next European Council meeting, the EU budget in commitments has been approved at the level of 996.8 billion euros (in constant prices of 2011, budget at current prices is expected to reach 1125.1 billion). Multiannual financial framework[3] (MFF) equal 960 billion and 36.8 billion is recorded outside the MFF (European Council 2013). This means that the cutting, compared to the initial proposal of European Commission, amounted to 2.7%. Finally, the budget for the new financial perspective remains almost unchanged compared to the period 2007-2013 and this is the first such case since the programming of multi-annual budgets (so-called Delors Package for 1988-1992) [4]. At the same time, the share of the total EU budget in the Member States' GDP is expected to fall from 1.03% in 2014 to 0.98% in 2020.

It is worth to consider the outcome of budget negotiations. Is it a success of the whole European Union or only some of the states benefited? One has to start, however, with an explanation of what would have happened if there had been no final agreement. In this case, the EU would act on the basis of the provisional budget, which would mean that the funds for the next year would be calculated based on the amount of the year 2013 (the last year of

may sign during the given period. The budget expenditures are presented on a cash basis and relate to the actual cash that are available in the EU budget for the given period. The commitments and expenditures can be equal (e.g. expenditures on administration, direct subsidies, intervention in the agricultural sector) or different from each other (in terms of long-term programs). See (European Council 2002).

3 With regard to the Article 312 of the Lisbon Treaty, multiannual financial framework concern at least five-year budget and are set out in the Regulation of the European Council following the agreement from the European Parliament. MFF determine the maximum annual EU expenditures as a whole and the limit for the each item in the budget (competitiveness, cohesion, agricultural policy, administration), but they are not as detailed as the annual EU budgets. Crisis reserve, the European Globalisation Adjustment Fund, Solidarity Fund and the European Development Fund are outside of the MFF for the period 2014-2020.

4 For example the EU budget for 2007-2013 (in prices of 2004) increased compared to budget for 2000-2006 by 57%, although it should be remembered that in those years the Community has accepted 12 new countries (10 in 2004 and two in 2007). See (Polarczyk 2004).

programming), plus 2% inflation. In arithmetic terms, the EU budget would therefore be higher than the one accepted on 8th February 2013. Polish participation would also have been bigger. This situation, however, would create uncertainty with regard to design and distribution of the budgets in the coming years. It would be also more complicated procedurally. Determining the financial framework for seven years gives a guarantee of the long run money allocation, which makes it easier to build a long-term development strategies in the Member States. The biggest winner in this situation appears to be the United Kingdom, for which the annual provisional budgets would result in a loss of the so called British rebate (in 2011 it was 3.5 billion euros, while the British contribution to the EU budget amounted to 11.2 billion euros). On the other hand, budget agreed at the European Council meeting can be seen as a partial success of these countries, which from the beginning opted for limiting the EU spending and the loss of those countries that have so far received the biggest part of the EU funds.

**Table 1. EU budget for the years 2014-2020 (in billion euros) according to the Summit of the European Council on 7-8 February 2013**

| EU budget | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2014-2020 |
|---|---|---|---|---|---|---|---|---|
| 1. Competitiveness and social and territorial cohesion | 60,3 | 61,7 | 62,8 | 64,2 | 65,5 | 67,2 | 69,0 | 450,8 |
| 2. Natural resources | 55,9 | 55,1 | 54,3 | 53,4 | 52,5 | 51,5 | 50,6 | 373,2 |
| including direct payments and market intervention | 41,6 | 41,0 | 40,4 | 39,8 | 39,1 | 38,3 | 37,6 | 277,9 |
| 3. Security | 2,1 | 2,1 | 2,2 | 2,2 | 2,3 | 2,4 | 2,5 | 15,7 |
| 4. European Global Fund | 7,9 | 8,1 | 8,3 | 8,4 | 8,6 | 8,8 | 8,8 | 58,7 |
| 5. Administration | 8,2 | 8,4 | 8,6 | 8,8 | 9,0 | 9,2 | 9,4 | 61,6 |
| 6. Compensations | 0,03 | 0 | 0 | 0 | 0 | 0 | 0 | 0,03 |
| Total commitments | 134,3 | 135,3 | 136,1 | 137,1 | 137,9 | 139,1 | 140,22 | 960,0 |
| Share in European Union GNP | 1,03% | 1,02% | 1,00% | 1,00% | 0,99% | 0,98% | 0,98% | 1,00% |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Commitments outside Multiannual Financial Framework | 4,4 | 5,3 | 5,3 | 5,4 | 5,4 | 5,55 | 5,6 | 36,8 |
| Total budget | 138,7 | 140,6 | 141,4 | 142,5 | 143,3 | 144,6 | 145,8 | 996,8 |

**Source**: European Council 2013

Looking globally, the decision to freeze the EU budget spending weakens further development of the community by reducing funds for investment in research and innovation, support for small and medium-sized enterprises, the strengthening of international competitiveness. It turned out, unfortunately, that national interests of individual countries outweighed the interest of the Community as a whole. In this situation, it is difficult to expect that the EU will become the "most dynamic and competitive economic region in the world", growing faster than the United States, which at the beginning of the twenty-first century assumed the Lisbon Strategy (Urząd Komitetu Integracji Europejskiej 2002). In addition, it must be emphasized that looking for the savings in the EU budget by some of the richer countries of the "old" EU at the expense of poorer EU-12 - the beneficiaries of EU aid - is ineffective action. This is because it does not account trade creation and diversion effect at the single market. Each euro invested in the new Member States, bringing the old EU countries average about 60 cents of profit from additional exports and investment projects (but in the case of Germany it is up 1.25 euros, and in the Netherlands 83 cents) (Krawiec 2012). Thus, the higher the EU budget, the greater the benefit of all EU states. The EU budget cannot be judged solely on the basis of a simple calculation, it is necessary to look wider and consider the multiplier effects, but about those is often forgotten.

## 3. The Common Agricultural Policy in the EU budget

The total EU budget for 2014-2020 (in constant prices of 2011) amounts 960 billion euros in commitments (together with funds outside the MFF - 997 billion euros). It is going to increase from 134.2 billion in 2014 year to 140.2 billion in 2020. This increase results from higher spending on cohesion policy and administration, while the budget for the sectors associated with the management of natural resources[5] will decrease from 55.9 billion euros in 2014 to 50.6 billion in 2020.

5 This includes the first pillar of the CAP, that is direct payments and market intervention, the second pillar of the CAP, that is funds for rural development and maritime affairs and fisheries.

Thus, the share of the EU agricultural policy in the EU total budget (according to the obligations under the MFF) is going to fall in the coming years from 42% to 36%, while the share of cohesion policy will increases from 45% to 49%. This is a continuation of initiated in the period 2007-2013 tendency to strengthen the role of cohesion policy at the expense of agriculture and rural development, although it is assumed that regional funds will play a greater role in financing of rural areas. It is noteworthy that in the eighties of the twentieth century the share of agriculture and rural areas amounted to 65% of the EU budget, in the nineties - 55% and in the first decade of the current century, more than 45%. At this point, however, we will not evaluate this process, because the main objective of the paper is to identify changes within the CAP.

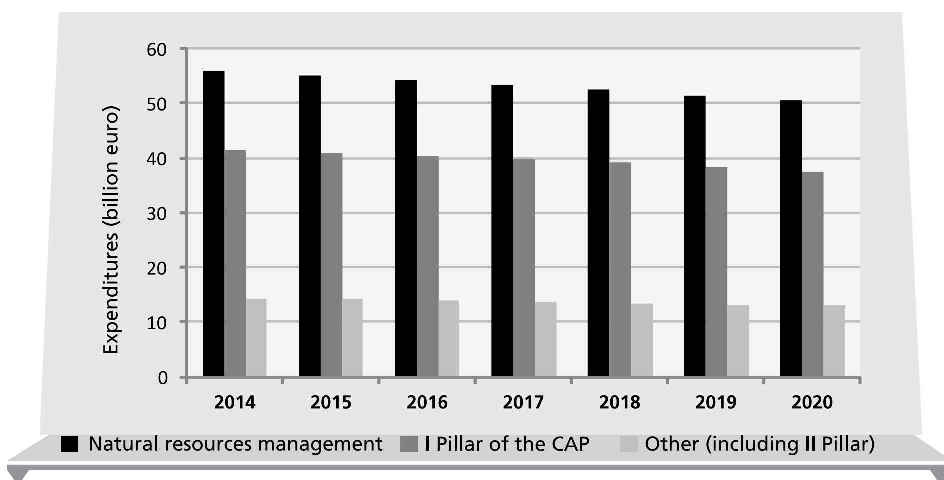


**Figure 1. EU budget for the position "Natural resources management" in the years 2014-2020**

**Source:** European Council 2013

Proposed funds for the Common Agricultural Policy 2014-2020 amount in total 373.3 billion euros. These are predominantly funds for the first pillar of the CAP - 278 billion (i.e. 74.4%), of which the vast majority for direct payments (market intervention is a small part of the first pillar). Funds for rural development (pillar II) are 84.9 billion, which amounts less than 23% of the total funds for the "natural resources" (the remaining 2.8% are for maritime affairs and fisheries).

Compared to the period 2007-2013 (Russel 2012, pp. 87-108) one can notice a decrease of spending on activities related to the natural resources by 11.3% (47.5 billion euros). Funds for the first pillar decreased by 17.5%[6], however funds for rural development increased by more than 9%[7]. If one compares the two years only - the last year of the old budget(2013) and the first year of the new one (2014), spending on the first pillar decreased from 45.1 billion euros to 41.6 billion euros and the measures under the second pillar increased from 13.7 billion euros to 14.3 billion euros. Thereby the share of the second pillar in the EU agricultural policy is higher. Summing up, the decrease of the CAP funds in the total EU budget proves that the Community gives the priority to activities aimed at increasing the competitiveness of European economies and their cohesion. At the same time the increase of the CAP second pillar spending highlights a new approach to agricultural issues, in which non-productive functions and the public goods are becoming increasingly important (Czyżewski, Stępień 2011, pp. 9-36).

It is worth to compare the compromise concerning the CAP budget obtained at the European Council meeting with the proposal of the European Commission from June 2011. Presented project assumed maintain nominal expenditure for the common agricultural policy at the level of 2013. This means that the first pillar - direct payments and market intervention - was to be 317.2 billion, the second pillar - rural development - 101.2 billion, which gave a total of 418.4 billion euros. There were supposed to be some additional funding in the amount of 17.1 billion for food security, crises in the agricultural sector, adaptation to globalization, research and innovation in the field of food security and the bio-economy (Plewa 2011). The total budget for agriculture and rural areas was to be 435.5 billion euros. However, after the negotiations of Member States governments this has changed and funds for the CAP amount slightly more than 373.3 billion, which is more than 55 billion lower. The reduction in direct payments amounted to 39.4 billion euros (12.4%), cuts in funding for rural development amounted to 16.3 billion euros (16.1%). It can therefore be concluded that the generally lower level of the EU budget for 2013-2020 is a result primarily of agricultural expenditure savings.

6 Decrease in the expenditure under the first pillar, which is in fact the direct payments, is so important because in the period 2007-2013 the new Member States have failed to get the full payment from the EU budget. They are under the system called phasing -in. Direct subsidies financed entirely from the EU budget, these countries will receive only in 2013.

7 Based on constant prices of 2011, the CAP budget for 2007-2013 is 420.7 billion euro (337 billion euros for direct payments).

## 4. EU funds for Poland and Polish agricultural sector

As the result of agreement reached by the EU leaders in February 2013, Poland is going to receive total support in the amount of 106 billion euros (in constant prices of 2011), i.e. 4 billion more than in the period 2007-2013. 72.9 billion has been designated for the cohesion policy, 18.7 billion for direct payments and 9.8 billion will be allocated to rural development (compared to the 2007-2013 period, the share of cohesion policy and direct payments increases and of funds for rural development decreases) (Guba 2013). Thus, Poland, as a big country and less well-off compared to other EU countries, is the biggest beneficiary of the EU transfers, (though in per capita terms Slovakia, Lithuania, Estonia, Hungary, Malta are going to receive more and the Czech Republic and Croatia more or less the same as Poland). The size of the received funds is impressive, but their level should also be analyzed from a different perspective. One must remember that the amounts for the period 2007-2013 designated to individual countries are calculated based on so called Berlin algorithm[8]. At the same time, in recent years the average level of the EU GDP has decreased, which for 16 regions should lead to automatic exclusion from the group of beneficiaries of the Cohesion Fund for the period 2014-2020. Such exclusion would give around 50 billion euros savings.

Taking into account the current budget allocation mechanism and a new structure of poor regions, Poland could have counted on about 106 billion euros for the period 2014-2020 only from the cohesion policy (Kloc 2013). This assumption is based on the fact that all Polish regions (excluding Mazowieckie) are eligible for the EU regional policy objective "Convergence", which includes those areas with a GDP per capita below 75% of the EU average (there is now 84 such areas). Meanwhile, in 2011, the European Commission created a new category called "intermediate regions", whose GDP is between 75-90% of the average EU GDP. After 2013, these regions can count on additional funding from regional funds. Mazowieckie is among them, but the regions in France (10), Germany (9), the UK (9), Greece(6), Italy, Spain and Belgium (4 each) gain the most. As a result, the above listed areas will benefit from nearly 40 billion euros at the expense of regions with a GDP below 75%, including Polish regions. A disadvantageous

8 Created in 2000, the Berlin algorithm concerns the division of cohesion policy funds between the regions in the Member States. It includes, among others, the number of inhabitants, the unemployment rate, the difference between GDP and purchasing power in the region calculated per capita and compared to the EU average. See (*Lubuskie chce więcej pieniędzy…* 2013).

rule for the beneficiary countries of the EU aid was also a reduction of financial support of up to 2.5% of the GDP of the Member State. The European Commission argues that a low absorption capacity and the potential problems with the co-financing justify this decision. Let's recall that in 2007-2013 the limit for Poland was 3.2-3.3% of GDP.

Given the above assumptions, the European Commission has offered Poland in June 2011 80 billion under the Cohesion Policy (of which 25% constituted the European Social Fund, 33% the Cohesion Fund and 42% European Regional Development Fund). The European Council meeting in February 2013 ended up with the amount of 72.9 billion, which is 9% lower. Including measures for the Common Agricultural Policy and other items, compared with the initial draft budget of the European Commission, funds for Poland declined from 111.5 billion to 105.8 billion, i.e. 5.1% (in the total EU it was 2.7%).

But if one compares the period 2014-2020 with the current financial perspective 2007-2013, in the nominal terms Poland will receive about 4 billion euros more. However, the data from the European Central Bank show that since the end of 2005 (i.e. the time when the budget for the period 2007-2013 was calculated) to the beginning of 2013 the inflation in the EU increased by 16% (Kostrzewa-Zorbas 2013). This means that the 102 billion granted to Poland for the years 2007-2013, would be in real terms worth 118 billion today and therefore the amount awarded in the new budget is lower by more than 12 billion. Finally, assessing the value of the money received from the EU budget one should compare it with the mandatory contribution to the budget. And so, in the years 2007-2013 Polish contribution to the EU budget amounted to 24 billion euros and in 2014-2020 Poland will pay, according to various sources, between 30 (according to the European Commission forecast) (Polska Agencja Prasowa 2013) and 40 billion (according to the Polish government's projections for the GDP growth until 2020) (Rada Ministrów 2012). This means that Poland will lose from 2 to as much as 12 billion euros.

In the case of the Common Agricultural Policy in the next financial perspective, Poland can count on 28.5 billion euros at constant prices. This is an increase compared to the current financial perspective by 1.6 billion euros. It is worth to remember that the total EU CAP budget is to be reduced by more than 11%, of which the first pillar (direct payments and market measures) of 17.5%. The increase of the funds for Poland is a result of higher amount of direct payments. In 2007-2013 Poland received for this purpose 13.7 billion euros and in the next budget it will be 18.74 billion (increase of 37%). At the same time significantly shrink the money for rural development, from 13.2 to less than 9.8 billion

(a decrease of over 25%). In terms of the CAP budget for the period 2014 - 2020, Poland was ranked 5th among all EU countries (after France, Germany, Spain and Italy). However taking into account the measures for rural development (second pillar), Poland, despite the cuts, will receive the most. The following positions are Italy, France, Germany, Spain and Romania (in terms of the first pillar Poland is in 6th place). This "ranking" of countries looks the same as in the 2013. As far as the participation of Poland in agricultural funds in the new financial perspective, in the case of direct payments it increases from 6.8% in 2013 to 7.1% on average in the coming years and in case of rural development falls from 8.4% to 7.6% (Guba 2013).

Comparing the amount of the CAP funds for Poland in the period 2007-2013 and the proposal of the European Council, one cannot ignore the fact that in the current financial perspective the amount allocated for direct payments was lower due to the process of achieving full subsidies (so-called phasing- in). Let's recall that negotiated at the Summit in Athens compromise (2003) admitted the new Member States in the first year of accession only 25% of the payments, increasing it subsequent in next years. In 2007 (the first year of the current financial perspective) the level of funding amounted to 40%, and first in 2013 the new Member States were given 100% of payment. At the same time the European Commission has left governments of the new member the opportunity to complete payment rates from the national budget (only in the period 2007-2013, the Polish government has allocated for this purpose approximately 6 billion). In 2014, due to the completion of the process of reaching the full direct payments level, the provision of co-financing from national funds was no longer to apply. Thus, the basis for calculating the amount of money for the period 2014-2020 was to be the year 2013. For Poland this amounts to 3.045 billion, which when multiplied by seven years gives a total of 21.315 billion. This amount or even a little bit more (21.7 billion euros), was included in the initial proposal of the European Commission in 2011. In addition, the European Commission proposed 13.5 billion for the second pillar of the CAP. The amount of funds was thus more than 35 billion euros. However further negotiations proved to be much less favorable from the point of view of Polish agriculture and rural areas. Proposal of the European Council President, Herman Van Rompuy, in November 2012 involved a reduction in funding for Poland by 2 billion and the European Council Summit in February 2013 by further 4.5 billion euros (Zagórski 2013). Overall, compared to the initial proposal of the Commission, Poland have lost 6.5 billion, i.e. almost 20% (while the reduction for the EU amounted 14%). In return, the possibility of co-financing of direct payments after 2013 from the

national budget has been renewed (*Przywódcy państw UE wynegocjowali…* 2013), although due to budget problems, it is not realistic.

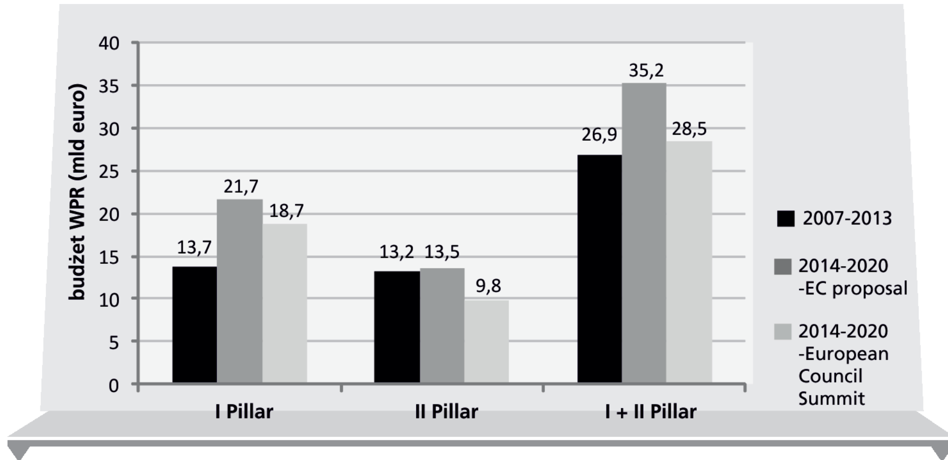


**Figure no 2. Common Agricultural Policy (CAP) budget for Poland for the years 2007-2013 and 2014-2020**

**Source:** European Council 2013

In the context of the above-mentioned changes, particularly worrisome is much less money for rural development (27% less than in the period 2007-2013)[9]. Measures to improve the competitiveness of the agricultural sector, such as the modernization of farms, entrepreneurship and infrastructure are threatened. For the purposes of the agri-environment schemes, a country must book a minimum of 30% of the second pillar (less than 3 billion euros). If one also takes into account that the obligations arising from the agreements signed in the period 2007-2013 amounts to 1.36 billion euros, the reserve for the "Investment for growth and jobs" 0.7 billion (i.e. 7% of the EAFRD[10] in accordance with

9 Meanwhile, some of the countries facing special difficulties of a structural nature in their agricultural sectors or countries that have made significant investments in favor of effective implementation of the Pillar 2 (total 16) received additional support under the second pillar, including 1.5 billion for Italy, 1 billion for France, 500 million for Spain and Portugal, 700 million for Austria and 600 million for Finland.

10 EAFRD - European Agricultural Fund for Rural Development.

guidelines of Common Strategic Framework), measures for Leader 0.5 billion (5% RDP), then in the budget of the second pillar remains slightly more than 4 billion euros (Ministerstwo Rolnictwa i Rozwoju Wsi 2013a). If one also includes the possibility to offset some of the money from the second to the first pillar (such possibility will exist in the new CAP), the amount for the other purposes of the rural development policy is about 3 billion euros, which could be not enough to continue hitherto activities[11]. Although there is a possibility to use some of the Cohesion Funds for the purposes of the RDP, especially in the field of technical infrastructure, construction of roads and broadband Internet, but such transfers of money are limited. On one hand, there are doubts whether the objectives of the rural development programs are consistent with Cohesion Fund rules (e.g. funding of local roads form the Cohesion Fund), on the other hand, 25% of the Cohesion Fund is designated for the so-called green technologies. In addition, one needs to keep in mind that these are still the same money, which means that you have to take it from other areas, which may raise an objection of local governments.

## Conclusions

This paper presents the results of the negotiations on the EU budget for the period 2014-2020, especially in the area of the Common Agricultural Policy. Agreed solutions has been assessed from the point of interests of Polish agriculture. Based on the analysis and reviewed material, one can draw following conclusions:

1. In difficult for the EU years of economic slowdown, countries managed to determine a budget for the next seven years. It gives the opportunity to implement long-term objectives, but it does not meet all expectations. The amount determined for the period 2014-2020 - 997 billion in constant prices of 2011 - is slightly lower than in the current financial perspective and forces to reduce the some expenses, including the development measures. This means

11 The summary report on the implementation of the RDP 2007-2013 (May 2013) shows that the agreements related to the programs of modernization and investments in farms and business development account for approximately 3.5 billion euros. One should also consider programs such as support for “young farmers”, food quality schemes, agricultural producer groups and programs for small farms. Taking into account that these programs cannot be financed from the Cohesion Fund, the support is actually lower than in 2007-2013. See (Ministerstwo Rolnictwa i Rozwoju Wsi 2013b).

that the EU will have to wait to achieve a status of the most competitive region in the world.

2. Among the positions of the new Community budget, most cuts concern agriculture, while spending on Cohesion Policy are rising. Thus, the process of getting a lower share of CAP expenditure in the total expenditure of the EU, which started in the 80s, continues and it is a manifestation of the increasing liberalization of the sector. Within the framework of the Common Agricultural Policy, reductions concern direct payments, while spending on rural development increases. This demonstrates a new approach to the role of the EU agriculture, in which it becomes not only a producer of food, but also a supplier various types of public goods, for which farmers need to be compensated.
3. Common Agricultural Policy budget 2014-2020 for Poland is a minimum budget. Compared to the period 2007-2013 it is higher by 1.6 billion euros, which is however a result of direct payments phasing-in process. There has been a significant decrease in funds for rural development, which can result with delays in the process of modernization of the Polish rural areas. Poland should regret that the Commission's proposal could not be maintained, which in the light of the European Council solutions was extremely beneficial for Poland.

**Summary**

**Budget of the EU and Common Agricultural Policy for 2014-2020 in the light of the polish interests**

The objective of the paper is to present the results of negotiations on the EU budget for 2014-2020, with particular emphasis on the Common Agricultural Policy. Authors indicate the steps for establishing the budget, from the proposal of the European Commission presented in 2011, ending with the draft of UE budget agreed at the meeting of the European Council on February 2013 and the meeting of the AGRIFISH on March 2013 and then approved by the political agreement of the European Commission, European Parliament and European Council on June 2013. In this context, there will be an assessment of the new budget from the point of view of Polish economy and agriculture.

***Keywords:*** *EU budget, Common Agricultural Policy, new financial perspective, Polish agriculture.*

**Streszczenie**

**Budżet UE i wspólnej polityki rolnej na lata 2014-2020 w świetle interesów Polski**

Celem publikacji jest zaprezentowanie wyników negocjacji nad budżetem UE na lata 2014-2020 ze szczególnym uwzględnieniem wspólnej polityki rolnej. Autorzy wskazują na kolejne etapy ustalania budżetu, od propozycji Komisji Europejskiej w 2011r., kończąc na projekcie budżetu uzgodnionym na spotkaniu Rady Europejskiej w lutym 2013r. i grupy AGRIFISH w marcu 2013r., a następnie zatwierdzonym porozumieniem politycznym Komisji Europejskiej, Parlamentu Europejskiego i Rady Europejskiej w czerwcu 2013r. W tym kontekście, zostanie dokonana ocena nowego budżetu z punktu widzenia interesów polskiej gospodarki i polskiego rolnictwa.

***Słowa kluczowe:*** *budżet UE, wspólna polityka rolna, nowa perspektywa finansowa, polskie rolnictwo.*

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