

President Toomas Hendrik Ilves today paid a visit to the European Parliament and discussed the European Union budget and the issue of agricultural subsidies with the candidate for next President of the European Parliament, Martin Schulz.

According to President Ilves, Estonia has always observed the principle of solidarity and complied with the agreed rules as a member state of the European Union, and the basics of the European common market and free competition should be applicable in all the economic sectors and for all the countries. "The direct subsidies system, which is a part of the Common Agricultural Policy, often means up to a six-fold difference between some of the EU member states; it is not sustainable and will distort competition within the European Union," President Ilves stated.

According to the proposal of the European Union and the suggested budget for 2014–2020, the direct agricultural subsidies paid to Estonia per hectare would increase from 117 euros per annum in 2013 to 158 euros in 2020. This would mean that by the end of the budgeting period, the direct agricultural subsidies available to Estonia would only amount to 59% of the European Union average, and the huge differences between the support amount per hectare that exists between countries would remain.

"Such a proposal is unfair and will put Estonian agricultural producers in a bad situation, as they must compete on both a domestic and global market with farmers of EU member states that get higher subsidies," President Ilves told.

As during yesterday's visit to Finland and the meeting with the Finnish President, Tarja Halonen, the Finnish Prime Minister, Jyrki Katainen, and the Finnish Minister of Foreign Affairs, Erkki Tuomioja, President Ilves today raised the issue of the future of the European Union and the financial crisis in the euro area in the European Parliament today.

"If we want to ensure the stability and sustainable development of the European Union, we need, first and foremost, bold and fast decisions. This does not merely concern arriving at a common understanding of fiscal responsibilities but involves the future of the European Union in general," President Ilves added.

President Ilves will also participate in a representation conference in Brussels, which is dedicated to the 20th anniversary of the restoration of the independence of the Baltic states.

The Head of State will arrive back in Estonia later tonight.

Office of the President
Public Relations Department
Phone 631 6229