

# EU agrees on sweeping changes to farm subsidies

European Union negotiators have agreed a package of reforms to agricultural subsidies which will see big farms lose up to 30 percent of their payout

Ministers reached a deal with Euro MPs and the European Commission. However, environmentalists say many of the green measures in the original proposals have been swept away. The Common Agricultural Policy (CAP) and rural development payments account for nearly 40 percent of the EU's long-term budget. The plan is to spend about 50bn Euros (£42bn; \$65bn) annually on agriculture in 2014-2020.

Under the deal reached last Wednesday, some of the money withheld from big industrial farms will be redistributed to smaller farms, with an emphasis on those that use eco-friendly methods. The

deal still has to be approved by EU governments and the European parliament. Officials are confident that that will happen, because ministers and parliamentarians have been involved in the negotiating process. Negotiators also agreed to end EU sugar production quotas which critics say have distorted the market for years, and created artificial shortages.

The definition of an 'active farmer' has also been contentious. The current payments system is largely based on land area and past subsidy levels, meaning that landowners like airports and sports clubs, which do not farm, have



EU is to cut subsidies for agriculture

been getting subsidies on the basis of their grasslands or other eligible land areas. The ministers have agreed on a 'short mandatory negative list comprising airports, railway services, waterworks, real estate services and permanent sports and recreational grounds'. The UK agriculture minister abstained in

voting on one of four new regulations, arguing that some member states wanted to go back to the days of butter mountains and wine lakes. In the 1970s and 80s the CAP took up a bigger share of the EU budget because there were more subsidies for farmers simply to produce. That led to wasteful overproduction.

## Italy to spend 1.5bn Euros to boost youth employment

Italy's Government has announced it will spend 1.5bn Euros (\$2bn; £1.2bn) to try to boost youth employment

The funds include tax breaks for companies that hire people aged 18-29, and will target the country's deprived southern areas. Two in five young Italians are out of a job, while the national unemployment rate is about 12 percent. The measures were unveiled on the eve of a European Union summit in Brussels on youth joblessness. Prime Minister Enrico Letta said that the money aimed to get at least 200,000 young Italians into the workforce by aiding those with temporary contracts as well as boosting training and school-leaver schemes.

In addition to the measures to boost youth employment, the Italian government also said it would delay a planned rise in value-added-tax (VAT), which will cost it an additional 1bn euros. Mr Letta's predecessor, Mario Monti, had announced the VAT increase in 2011 in an attempt to improve investor confidence in the government's capability to repay its debts. The proposed VAT freeze must be approved by parliament first.

Italy's economy shrank by a worse-than-expected 0.6 percent in the first quarter of this year. Across Europe, 5.6 million young people are out of work, with a jobless rate of 23 percent. In Greece and Spain, the rate of youth unemployment is around 50 percent.

## Croatia celebrates as it becomes the European Union's newest member

It was party time in Croatia as two men abseiled down a Zagreb building with the EU flag and the clocks struck midnight signifying the moment the Balkan country became the 28th member

of the European Union.

If the global economic crisis has strained EU solidarity recently Croatia's Prime Minister was having none of it, "Whatever anyone is saying about us," said Premier Zoran Milanovic. "You

should know we are a country of rational people who are realistic about themselves and their country." Croatia with its 4.4 million people becomes only the second of the seven states carved from federal Yugoslavia to enter

the EU following Slovenia in 2004.

Along with leading members of the EU's Commission, Lithuania's Premier gave her welcome in Croatian on behalf of the Lithuanian presidency which starts July 1st.

## Barnes & Noble sales plummet

US bookstore chain Barnes & Noble has seen its fourth-quarter net loss more than double to \$118.6m (£77m) as sales of its Nook e-books and devices continue to drop

Sales in the Nook business fell 34 percent from a year ago, leading to the division making a \$177m loss. To try to cut losses in the segment, the firm said its tablets would now be co-branded and produced in partnership with a third party manufacturer. Shares in Barnes & Noble fell 17 percent. Company-wide, Barnes & Noble's revenue fell 7.4 percent to \$1.28bn.

The firm launched its first Nook e-reader in 2009 in an attempt to take on Amazon's Kindle in the growing e-



E-books lose to tablets

Kindle in the growing e-books market. But it has been an expensive project and sales have fallen. The firm launched its first Nook e-reader in 2009 in an attempt to take on Amazon's Kindle in the growing e-

books market. In the year to 27 April 2013, sales fell 16.8 percent and losses have grown to \$475m in the Nook division. It now plans to significantly reduce losses in the segment by 'limiting risks associated

with manufacturing'. While it will continue to develop its e-readers in-house, its tablet line will now be produced and marketed with a consumer electronics manufacturer that it did not identify. Last month, it was reported that Microsoft, which already owns 17 percent of Nook Media, was planning to buy the division outright.

For the full year, Barnes & Noble said losses widened to \$154.8m from \$65.6m. Sales fell at its retail business, which has 675 bookstores, but its college bookstore chain provided a bright spot as revenues grew. Like book retailers worldwide, the firm has struggled to compete with cheap online vendors and downloads.

## Play Me, I'm Yours



Piano in Paris streets

On the streets of Paris, there's a new addition to the urban environment: pianos, free to use for professionals and amateurs alike

The project 'Play Me, I'm Yours' was created by British artist Luke Jerram. Across the Channel, Eric Pacheco has brought the concept to Paris. "The idea is to make the instrument accessible, unique, personalised and available for use by the many thousands of piano lovers who don't necessarily have instruments at home, or are not used to playing in public. It also helps to bring the community together," said Pacheco, the event's organiser.

French pianist Steve Villa Massone believes there's no better place than the street for

music to be played and enjoyed. "Music is happiness, pleasure, love. For me, the best place to feel that, to know that feeling, is the street," said Massone. "Because there are no restrictions, you don't have to justify yourself to anyone, so you can really play with feeling and enjoy yourself."

The exhibition has attracted tourists from across the globe who come for the novelty and the joy that a simple instrument in such an unusual environment can bring. One German tourist thrilled with the idea said, "I think it's a perfect idea to attract people, to make them familiar with music, all types of music, people who like to play music, to get them together." Touring internationally since 2008, the festival has already reached more than two million people.