

# The CAP Strategic Plans (2023-2027)

## Key elements from the approved plans

Civil Dialogue Group meeting

CAP Strategic plans and horizontal matters

Brussels 13/3/2023

DG AGRI, Unit A.1

# Summarizing and thinking on all CAP Plans together

## Today:

- Mainly on EU level with a zoom in for some elements per Member State
- To inform stakeholders and further overviews and stimulate exchange
- Key financial information
- Selected elements for ambition and targets + main tools

**More to be available and published in the coming months**



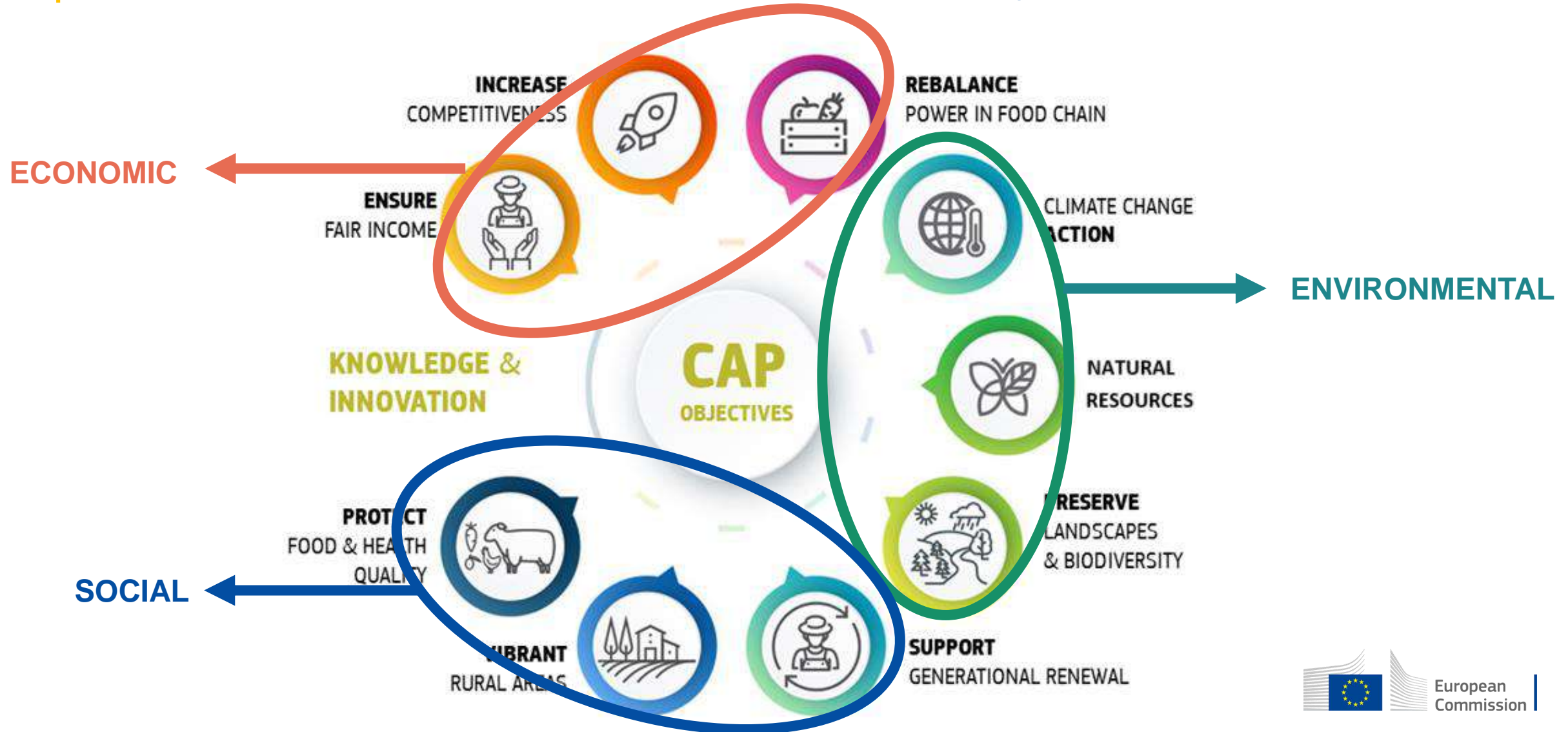
**Before 31/12/2023:** Report to the EP and Council with analysis of the on joint effort and collective ambition of MS to address the Specific Objectives



# Towards a performance-oriented CAP, both at CAP Plan level and at EU level



# CAP Objectives & sustainability dimensions

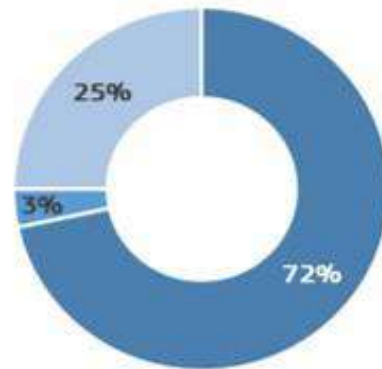


# Basic financial information

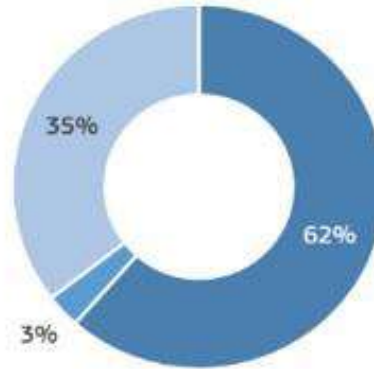
# Overall financial distribution of funding on EU level

*Distribution of the planned expenditure under the CAP, %, 2023-2027<sup>5</sup>* (Source: Approved CAP plans)

The EU CAP funds  
(EAGF/EAFRD) (%)



The CAP total public  
expenditure: the EU CAP funds  
and national co-financing (%)

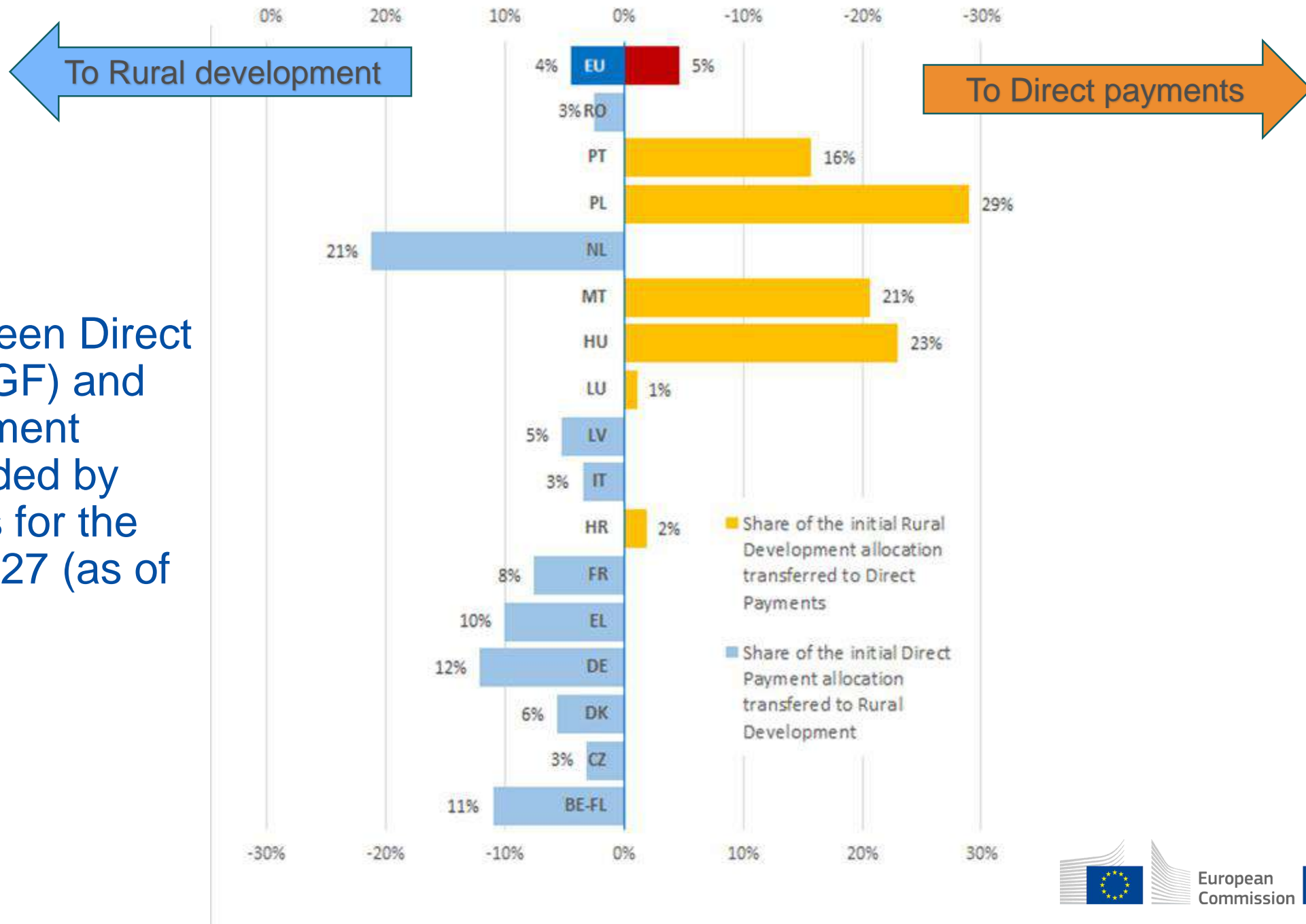


■ Direct Payments ■ Sectoral support ■ Rural Development

**For CAP plans: EUR 264 billion** of EU resources; **EUR 307 billion** of public expenditure.

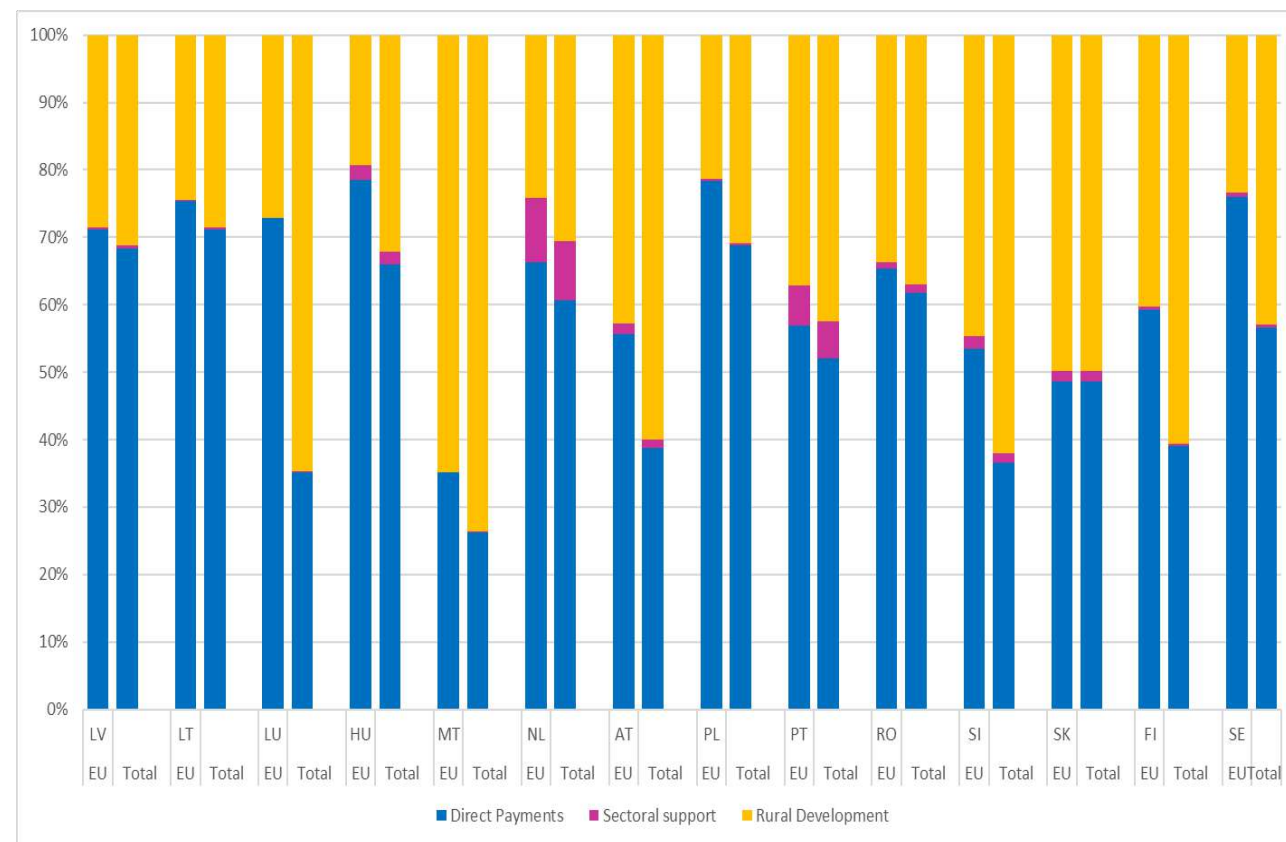
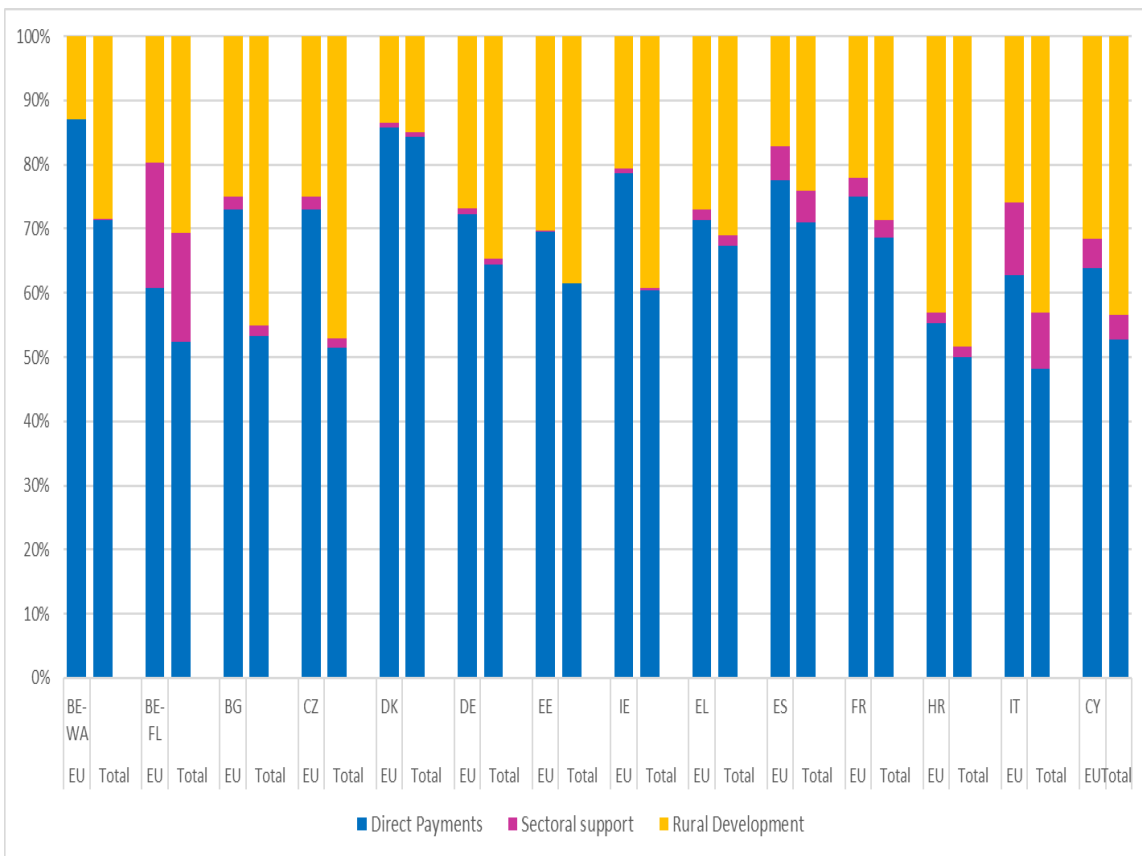
EUR 378.5 billion EU-funds to CAP spending programmes.

Transfers between Direct Payments (EAGF) and Rural Development (EAFRD ) decided by Member States for the period 2023-2027 (as of 2022)



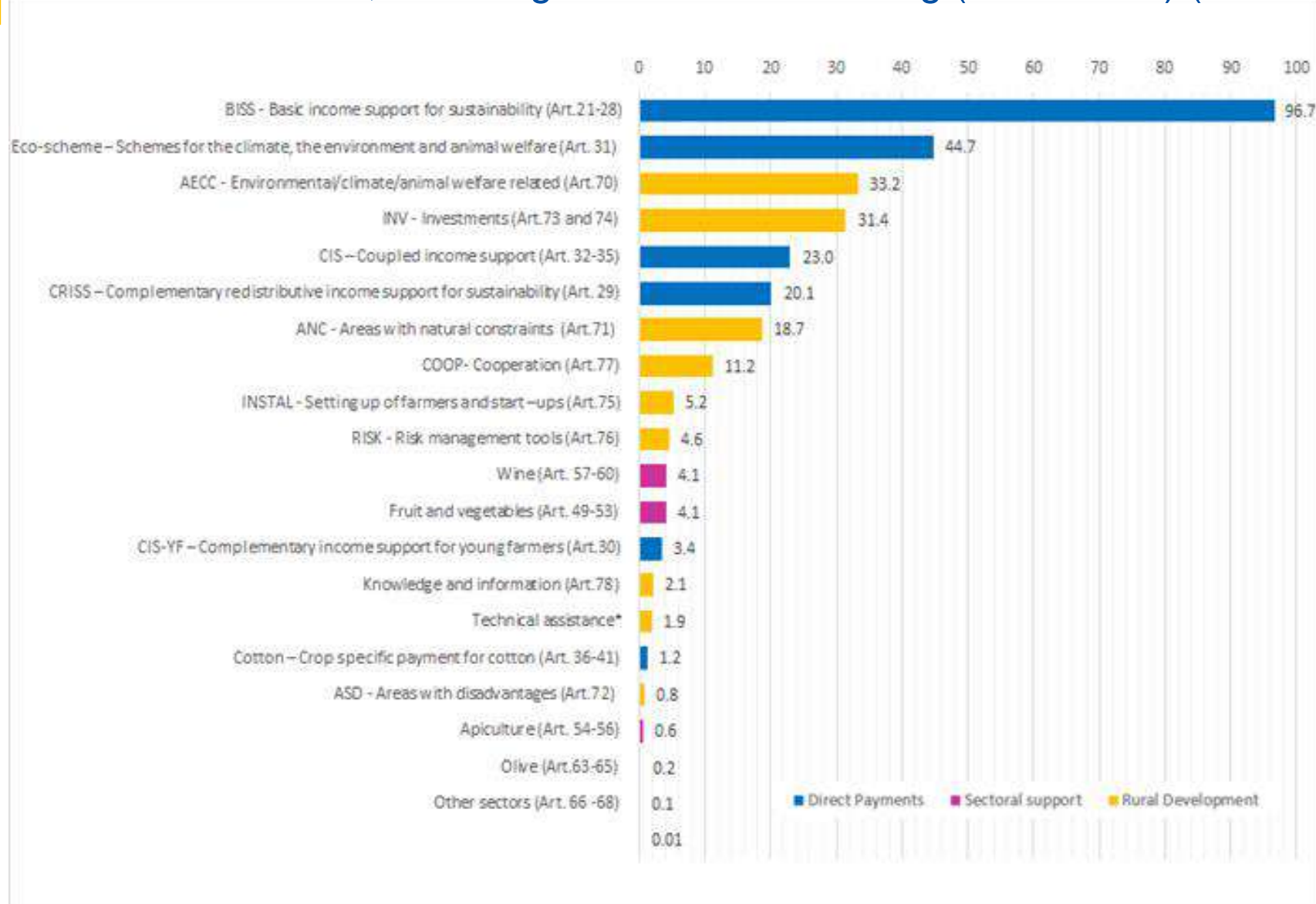


# Financial distribution per Member State – according to three main instruments (2023-2027) for the EU and public financing



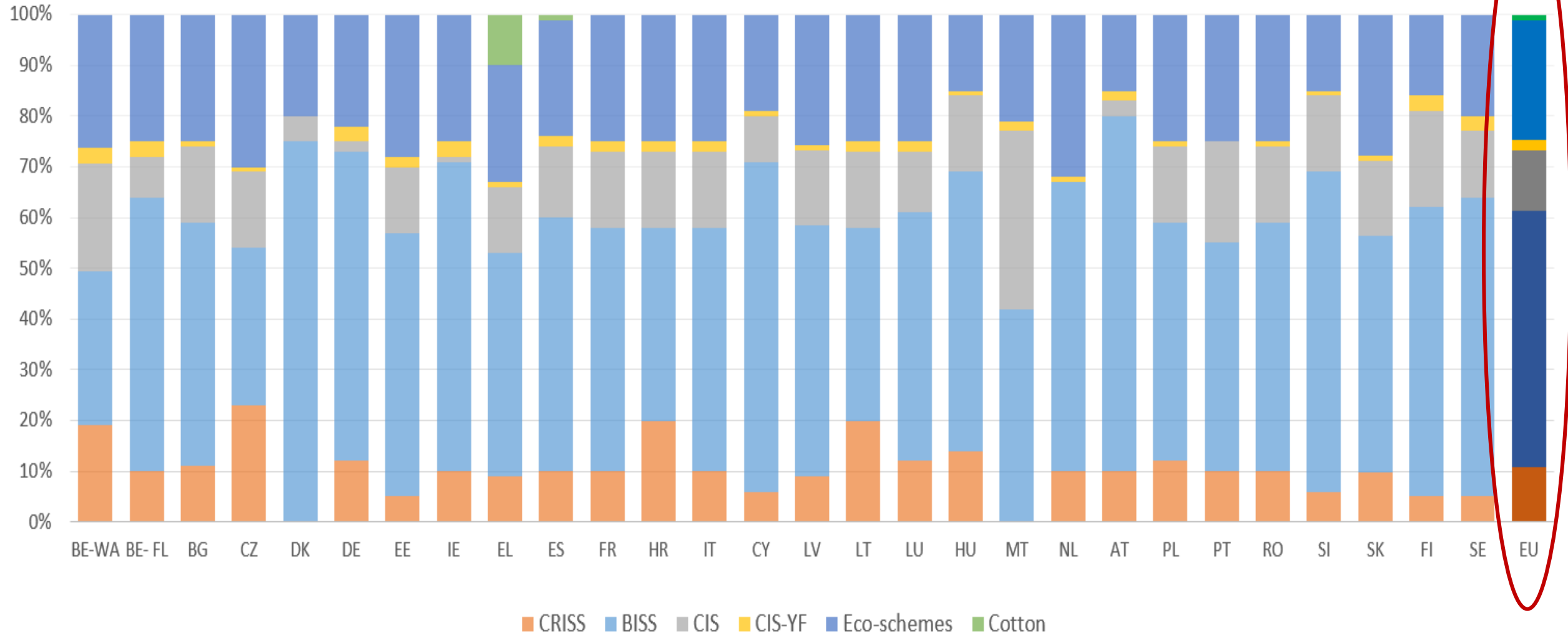


## Total planned public expenditure under CSPs at EU level according to instruments of both EAGF and EAFRD, including national co-financing (2023-2027) (in EUR billion)



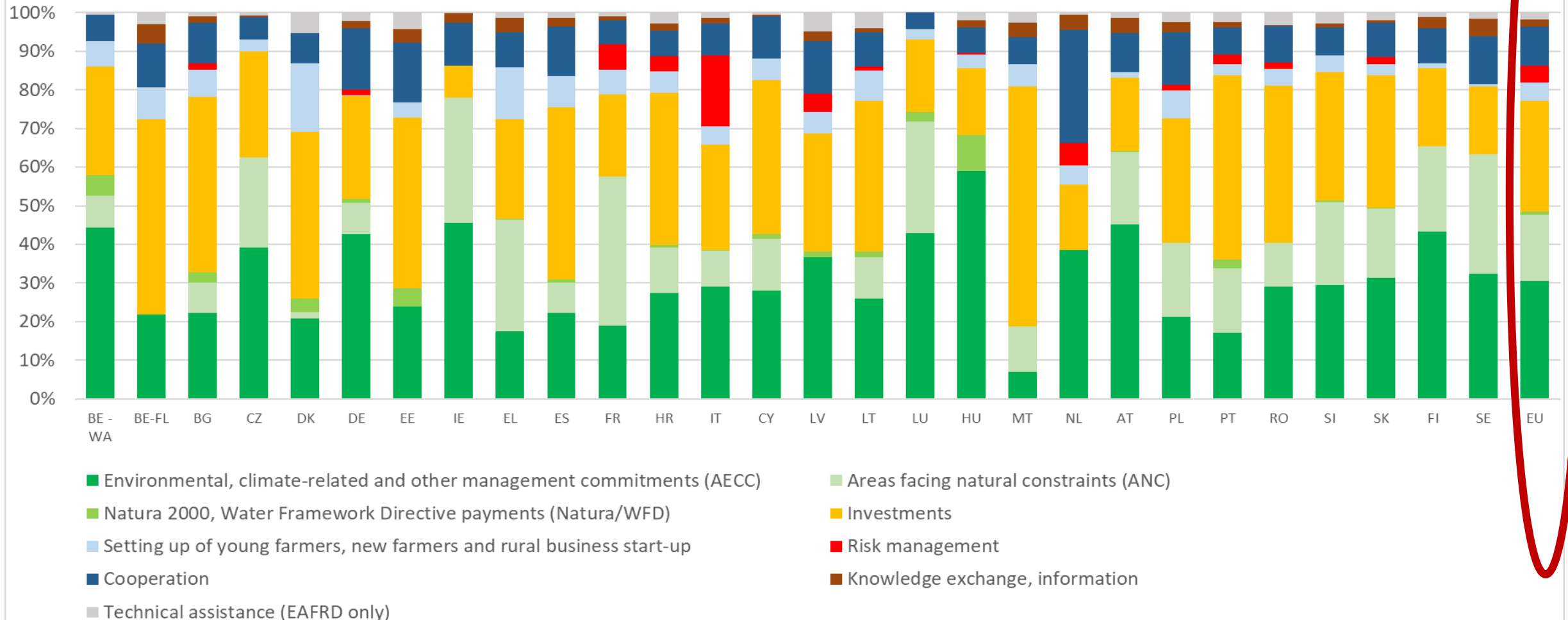
Each of them contributes in most cases to more than one objectives

# Financial distribution within direct payments, EAGF, per Member State



# Financial distribution within EAFRD (public)

Distribution of Rural Development funds (EAFRD and national co-financing), 2023-2027, %



# Other key financial choices in the CAP Strategic plans within specific instruments

- Allocation of funding of instruments towards similar objectives across funds
- Definition of uniform or average rates for support from the Plan
- Definition of intensity rates and range of support for grants
- Allocation of funding for financial instruments
- Support strategies: compensation or incentive - based; requirements or result - based; type of units for payments
- Grants or simplified cost options

# Who is targeted and specific definitions for eligibility

- Increased flexibility for **agroforestry** systems on eligible agricultural area – discontinuation of the limitation to scattered trees, discontinuation of the threshold to 100 trees per ha, inclusion of a minim threshold
- Increased flexibility for other **landscape features (LF)** – 8 MS allow for more or bigger LF compared to previous rules
- **Active farmer definition** – different approaches: min size, income test, verification for purpose, excluding those receiving a pension (2 MS), negative list

# Towards fairer and more targeted support

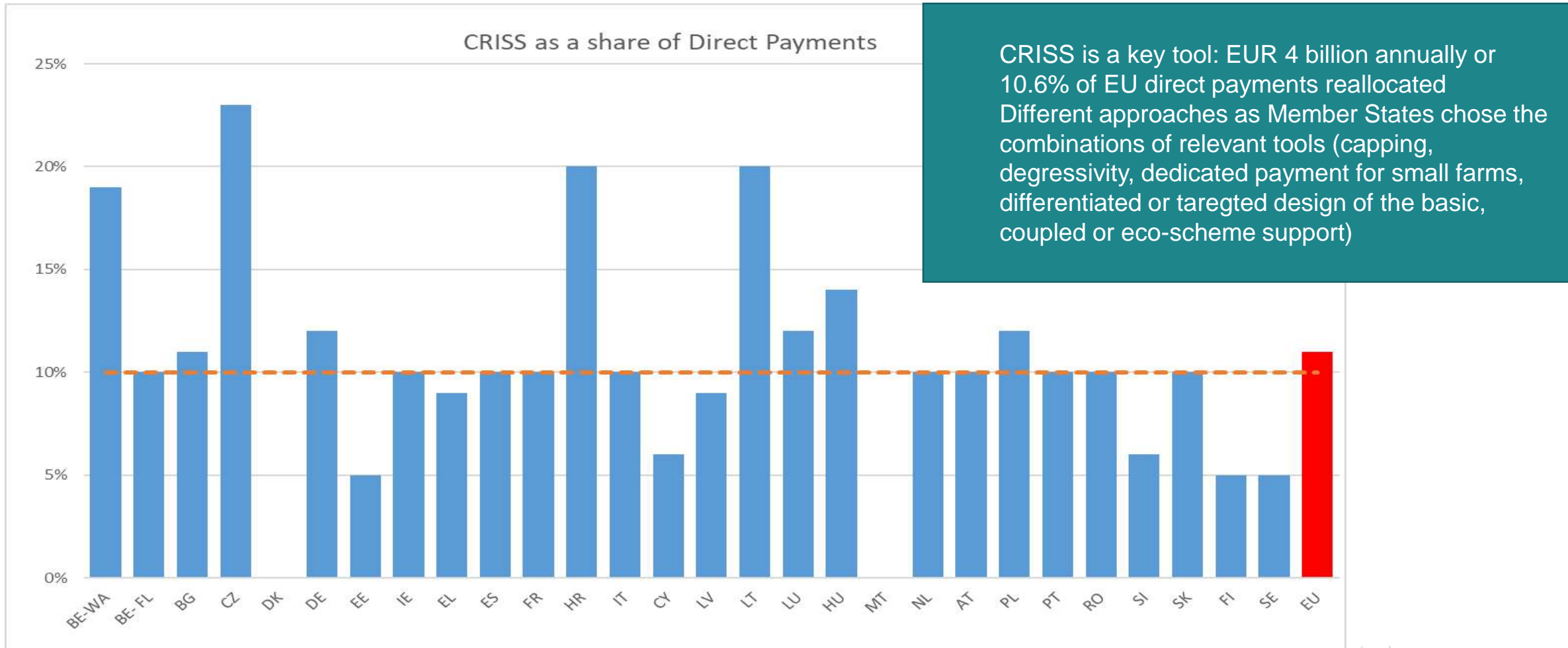


# Resilience and viable income

- EUR 29 billion **annually** earmarked through basic and other income support
- Additional EUR 9 billion **annually** through eco-schemes **supporting sustainable transition**
- Additional **contribution to income and competitiveness** through other instruments
  - for farmers in areas with natural constraints in areas with specific disadvantages
  - for young farmers
  - for investment
  - sectoral programs

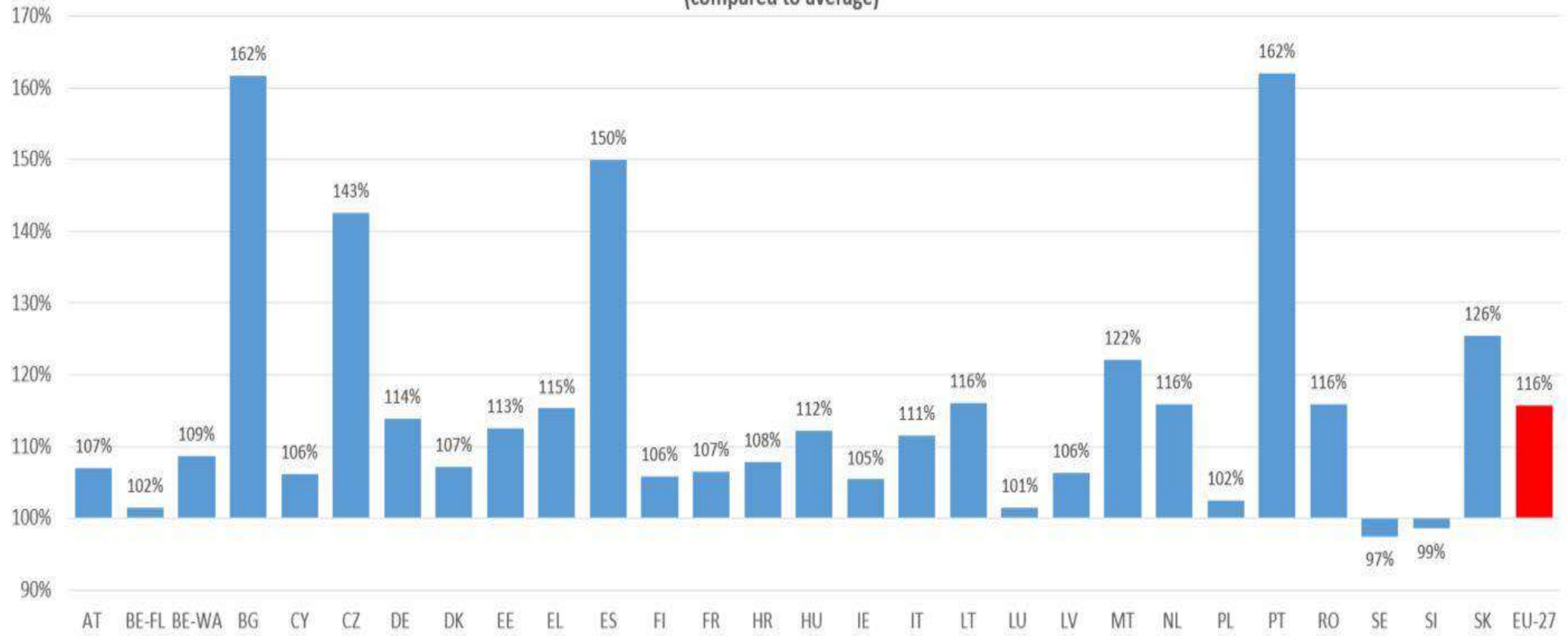


# Viable income – redistribution



# Viable income – redistribution – key target

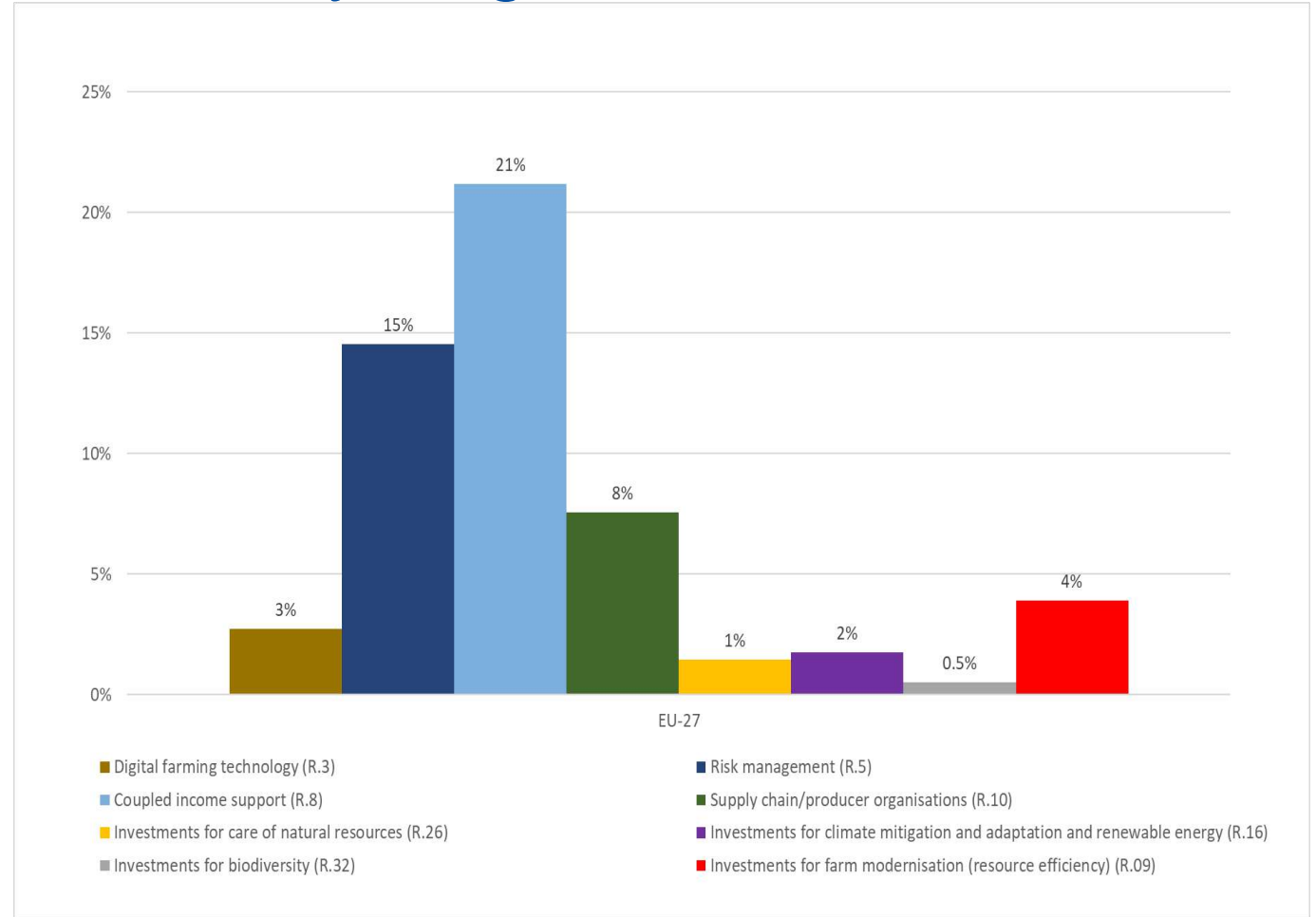
R.6 (PR) Redistribution to smaller farms: Percentage of additional direct payments per hectare for eligible farms below average farm size (compared to average)



# Increased competitiveness and improved position of farmers in the supply chain – key targets

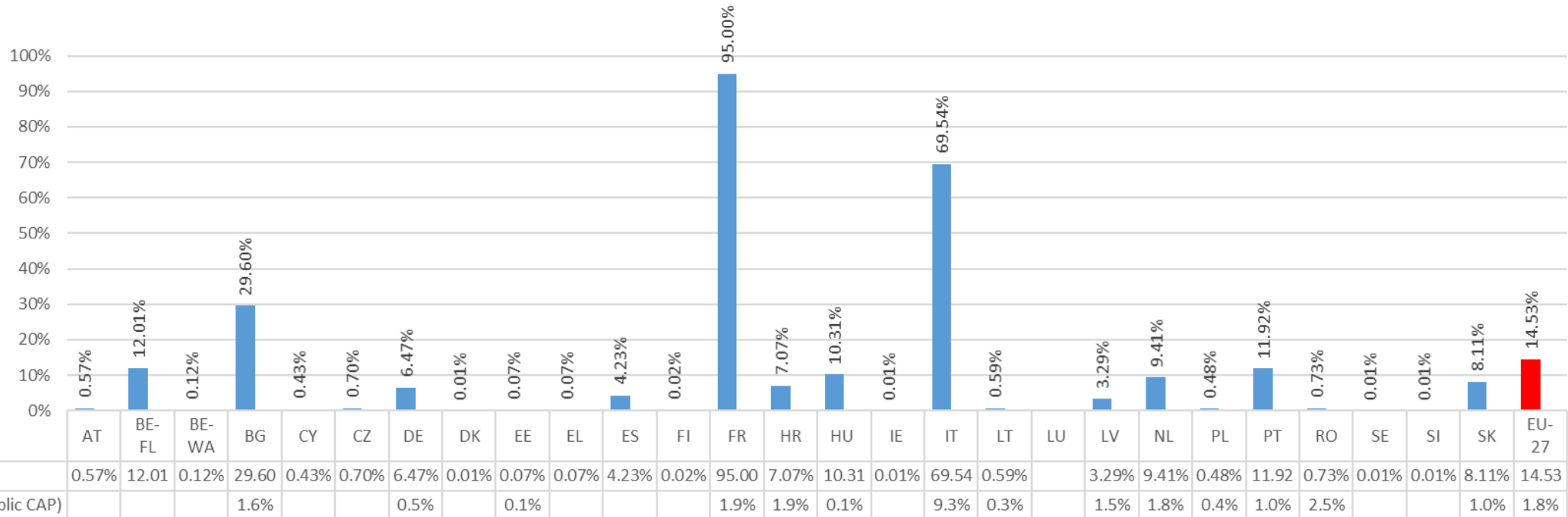
Targeting farms through:

- Multiple instruments (**CIS, sectoral support, investment, risk management**)
- On average **around 2.1 million farms** to benefit from coupled income support, close to **400 000** farms with productive investment, close to **1.5 million farms** for managing and covering risks



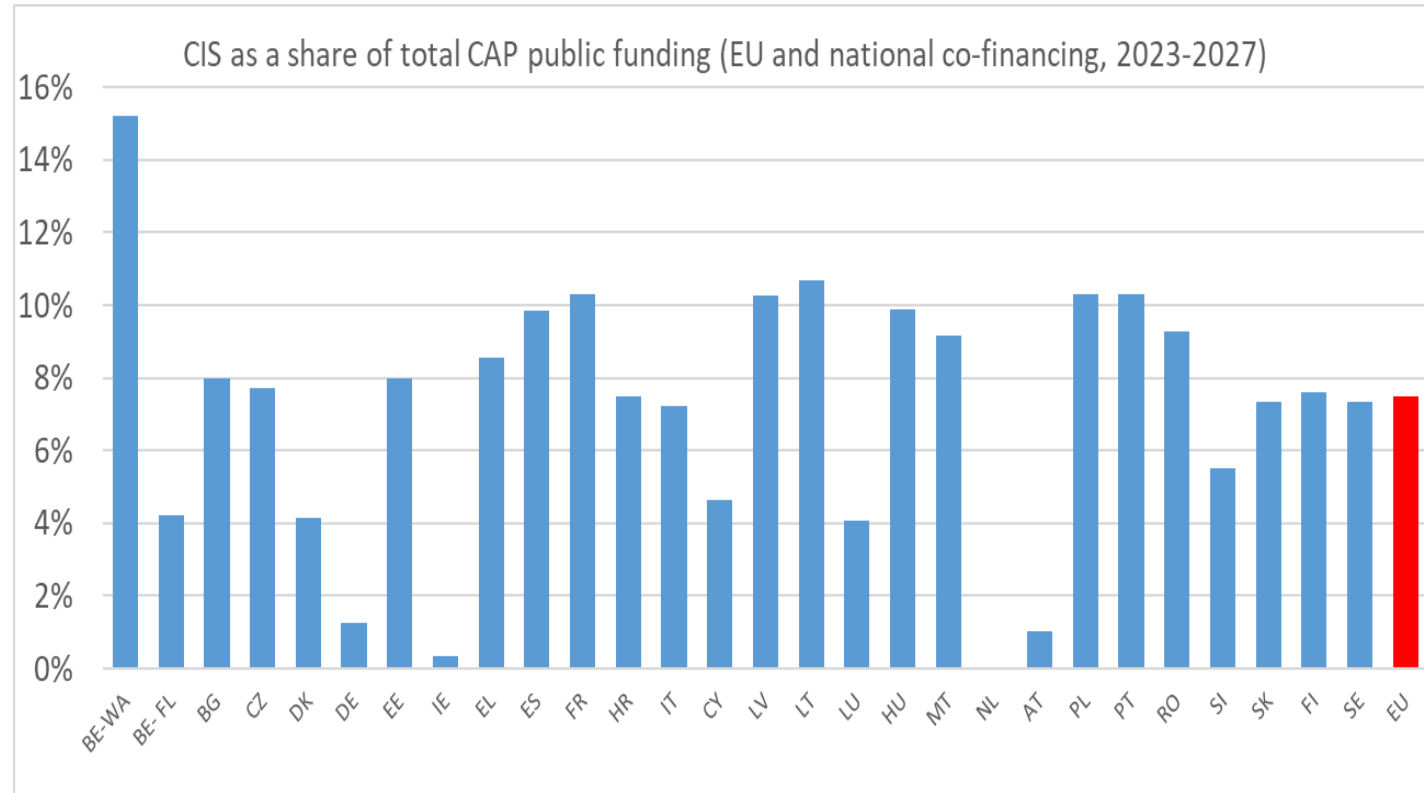
# Risk management

- 14 Member States included in their plans support for risk management tools to reach around 15 % of EU farms.
- All include the possibility for support for risk management types within the through Operational programs (except BG and LV). 1540 Producer organisations in those sectors would have the option to support their close to 200 000 members for risk management.



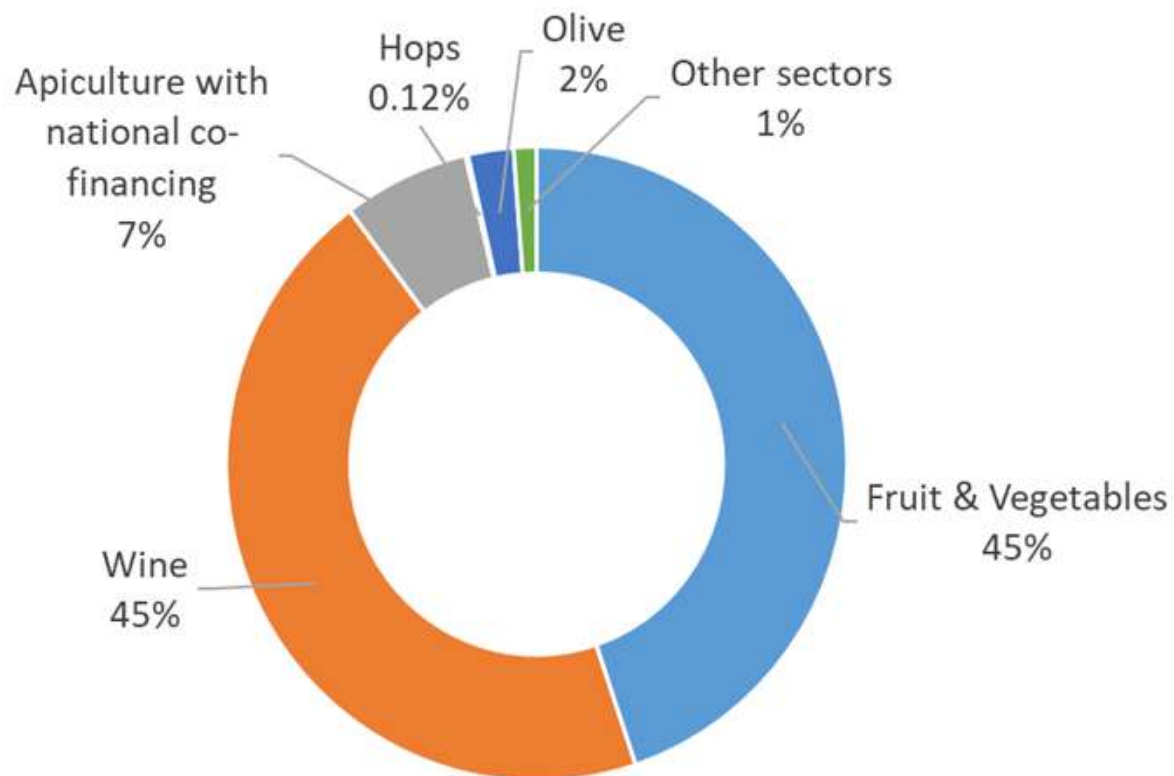
# Coupled income support – CIS as a % of total CAP funding (EU + national, 2023-2027)

- Targeting 18 sectors (livestock – 70%, legumes and protein crops- 14%)
- Aiming to reach 21% of EU farms
- Increasingly used to support cultivation of **protein and leguminous crops**:
  - 25% higher financial support compared to 2022
  - estimated area in 2027 to reach 7 million hectares



# Sectoral support

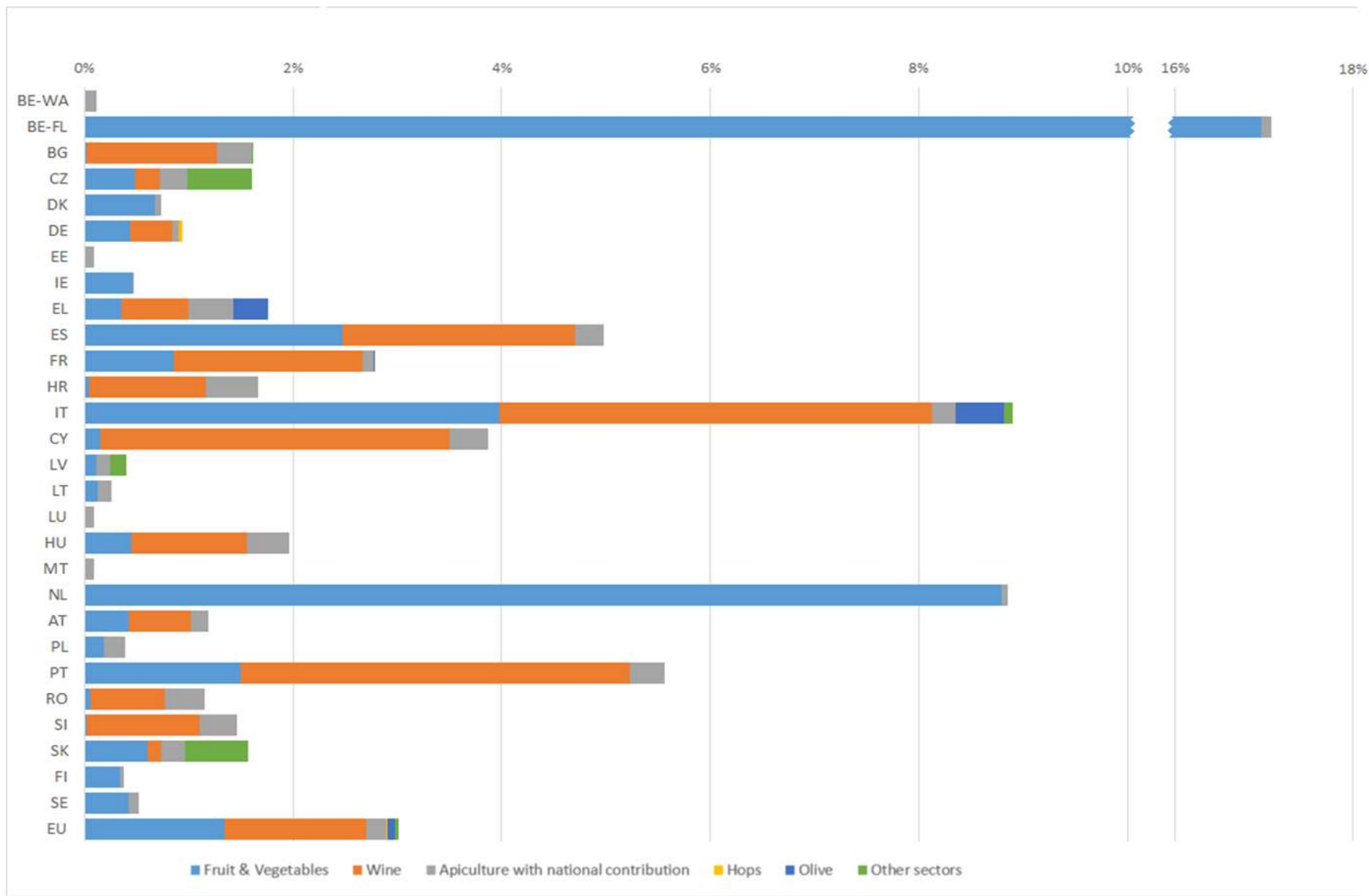
EU level distribution of sectoral support, EU and national co-financing for apiculture, 2023-2027



- Most Member States (24) plan sectoral interventions in the fruit and vegetables sector, the apiculture sector(all) and the wine sector (16)
- Several Members States (BG, CZ, LV, IT, SK, ES) use plan support for 'other' sectors (potatoes, eggs, milk and milk products....)
- A high variability among Member States regarding budgets dedicated to those interventions
- In addition, 16 MS plan support to close to 900 organisations and groups to cooperate within the cooperation type of intervention (EAFRD)

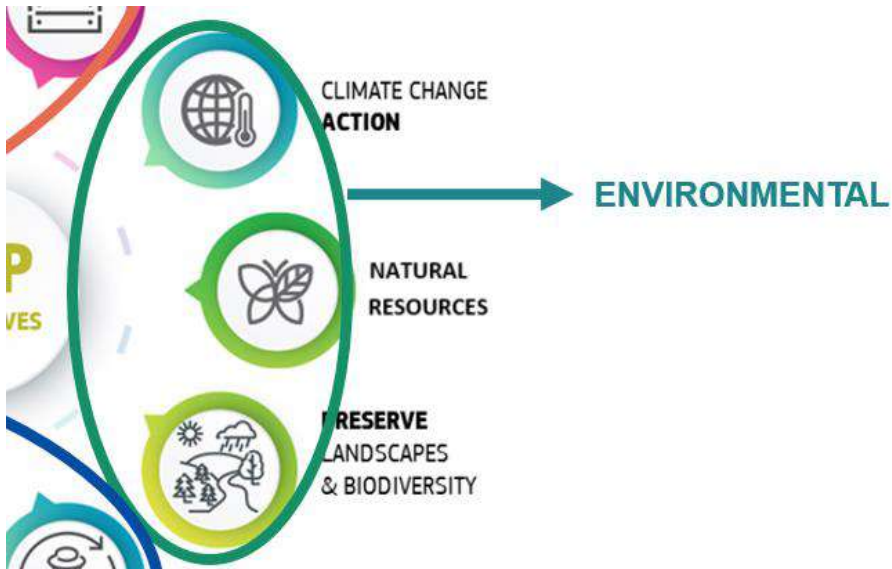
# Sectoral support

Through sectoral interventions as a share of the total CAP public expenditure (EAGF with national contribution for apiculture)



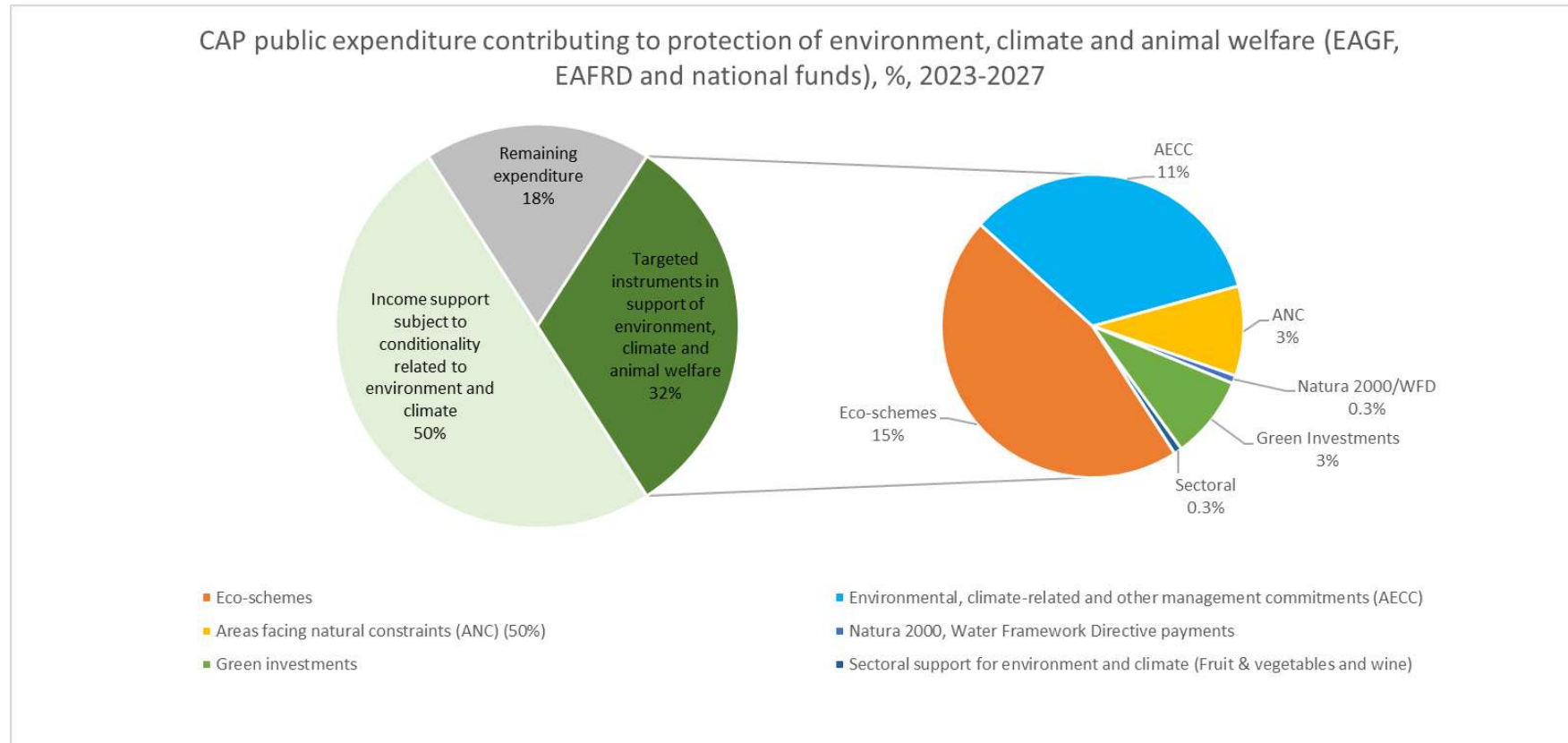


# Towards greater environmental and climate sustainability – greener CAP

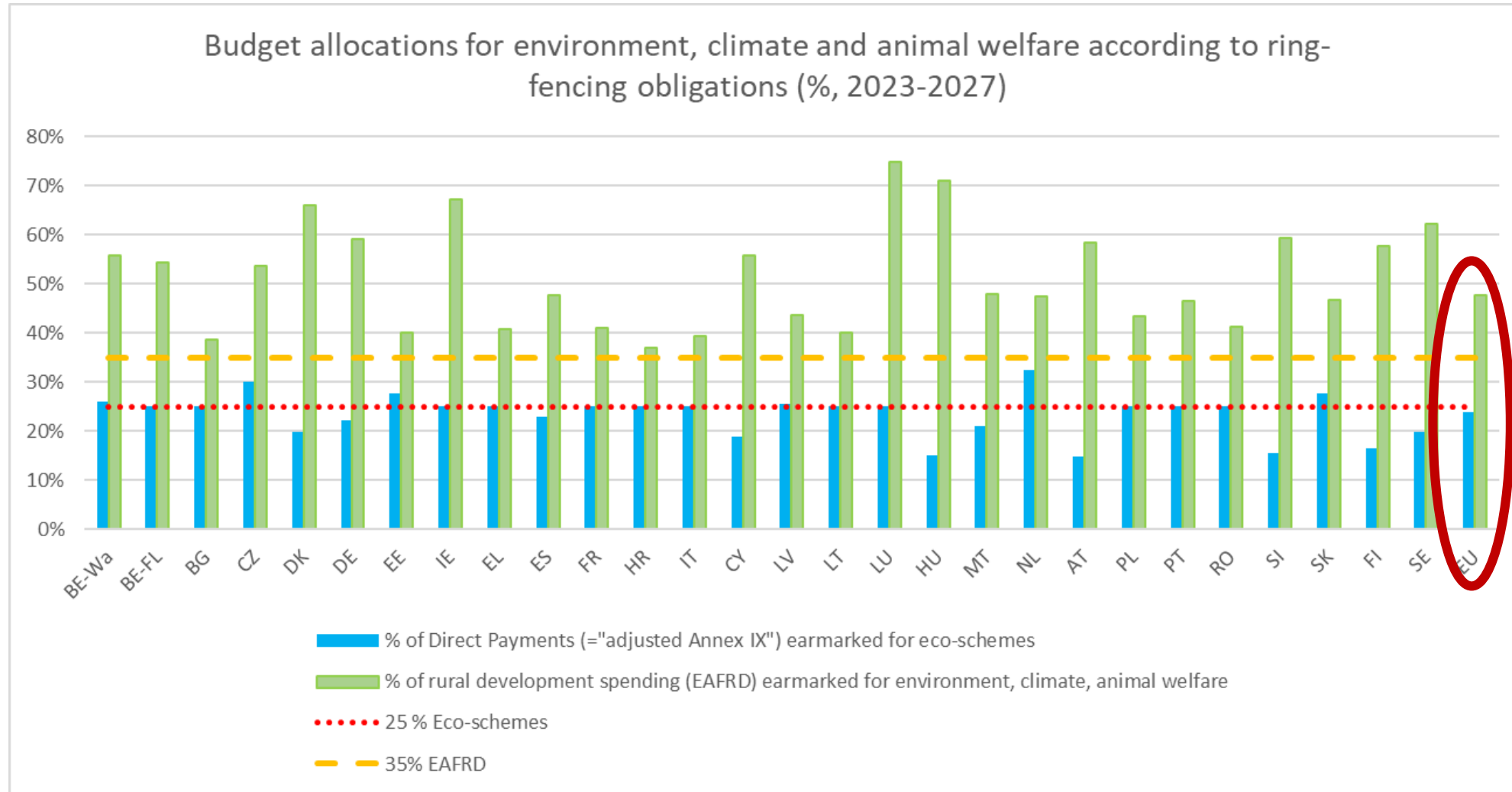


# Environmental and climate sustainability

- 32% of total public CAP funding dedicated to deliver environment/climate benefit and to encourage practices that go beyond the conditionality
- Income support payments are conditional on farmers' complying with strengthened basic standards for good agriculture and environmental conditions (GAECs) - to cover close to 90% of the EU's agricultural land

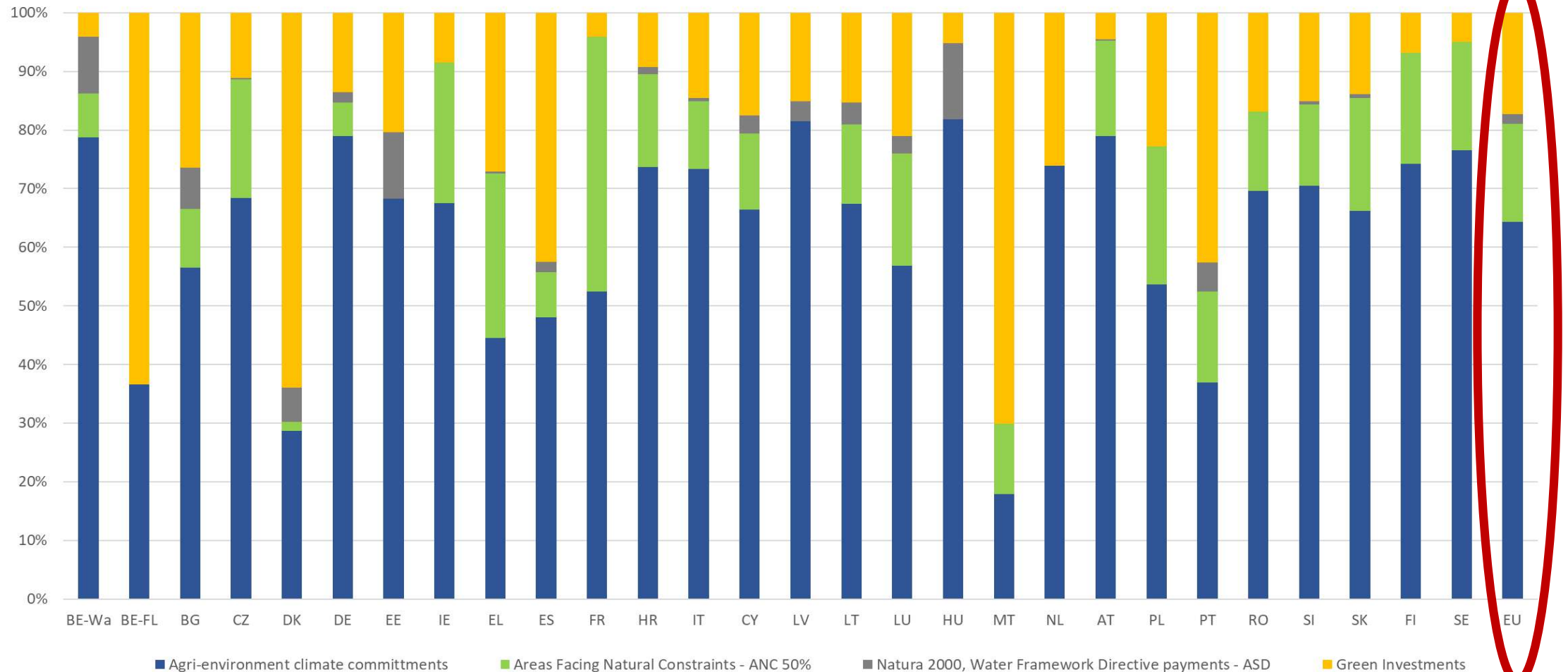


# Environmental and climate sustainability: mandatory spending requirements and allocation of **EU funding** per MS



# Environmental and climate sustainability: mandatory spending requirements (EAFRD – EU funds spending)

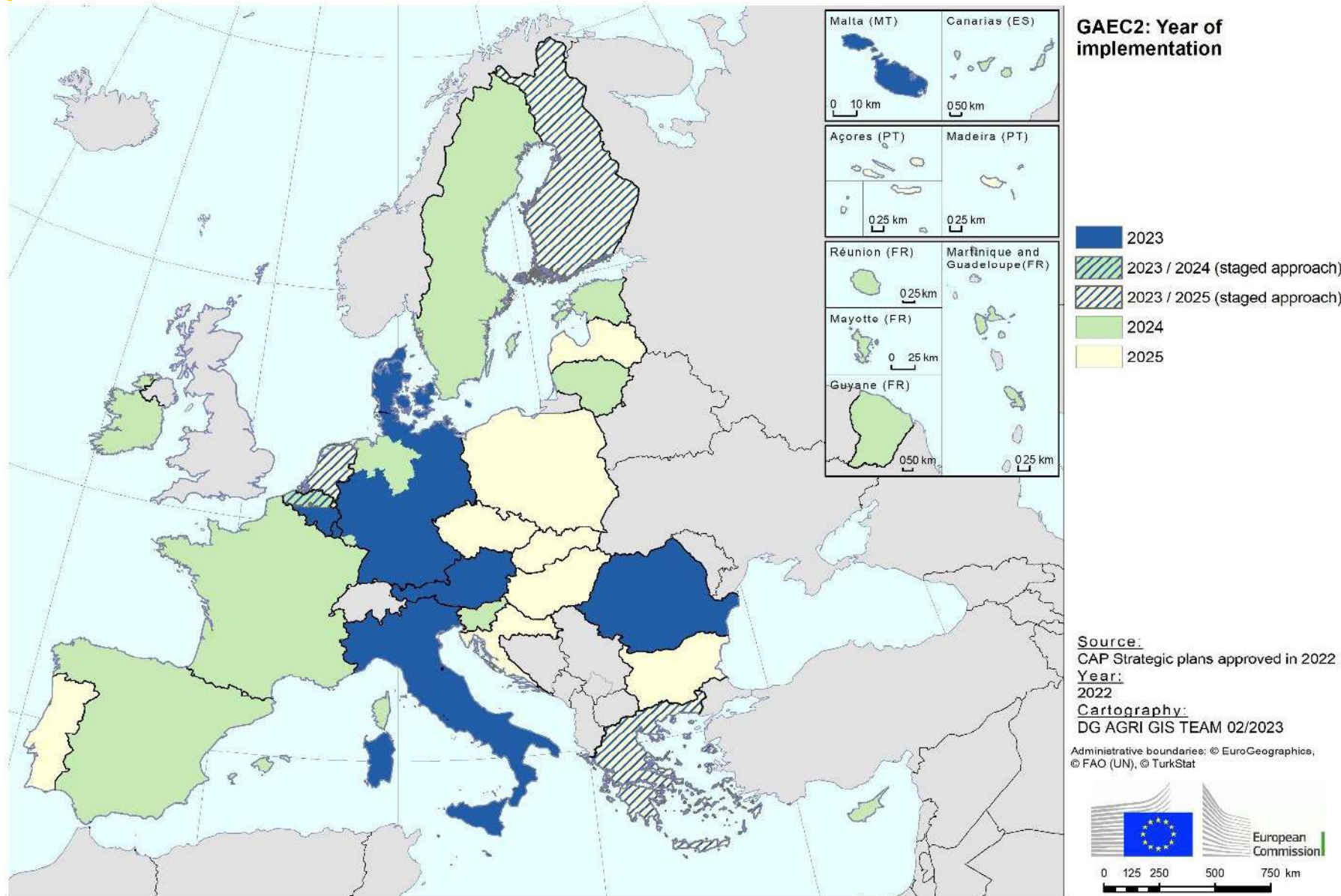
Distribution of planned rural development spending on the environment, climate and animal welfare considering the categories for the required minimum allocation (EAFRD, 2023-2027)



# Climate adaptation and mitigation

- CAP Strategic Plans **contribute to the objectives of reducing greenhouse gas emissions and increasing carbon sequestration**
- For the first time, CAP basic standards (conditionality) protect **EU agricultural wetlands and peatlands in order to reduce carbon release.**
- The enhanced requirement to maintain non-productive areas and features **on at least 4%** of arable farm land will also increase the carbon removal from the atmosphere at farm level.
- The Plans will incentivise land managers **to store carbon in soil and biomass and reduce emissions on 35% of the EU's agricultural area** through **appropriate management practices**
- Further actions in the Plans to **reduce methane and ammonia emissions** focus on ruminants mainly through optimised feeding. This is complemented by support for investments in biogas production, manure management and genetic improvement

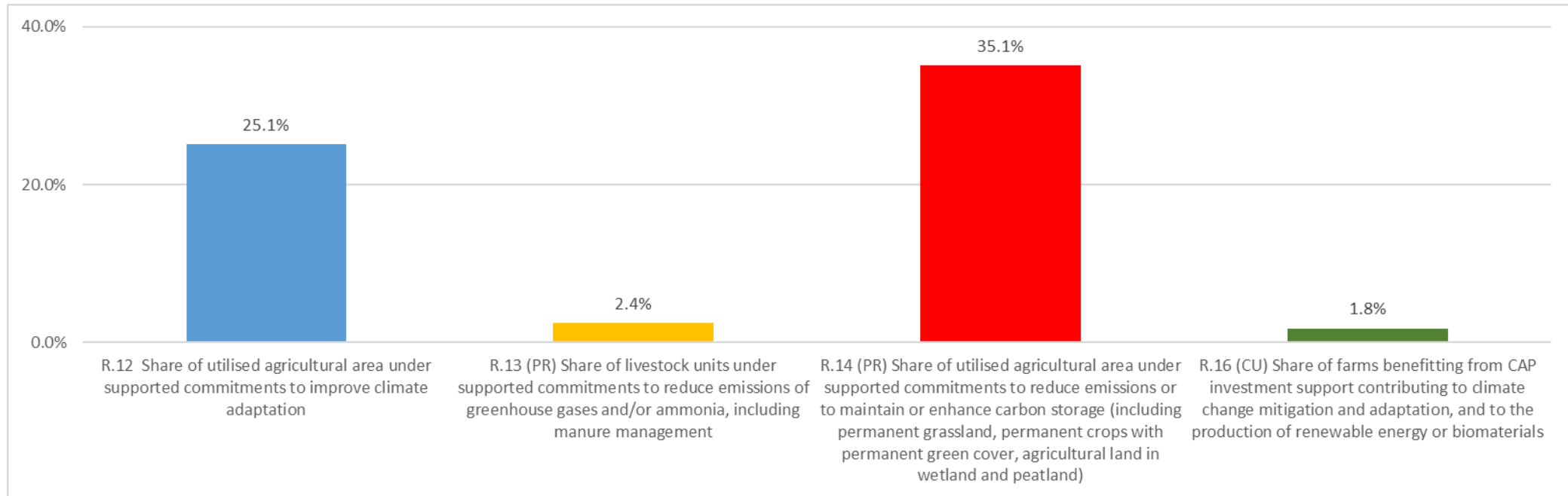
# Conditionality – GAEC 2





# Climate adaptation and mitigation- key targets (beyond conditionality), EU-27

The Plans will incentivise land managers **to store carbon in soil and biomass** and **reduce emissions** on **35% of the EU's agricultural area** through **appropriate management practices (beyond GAEC)**

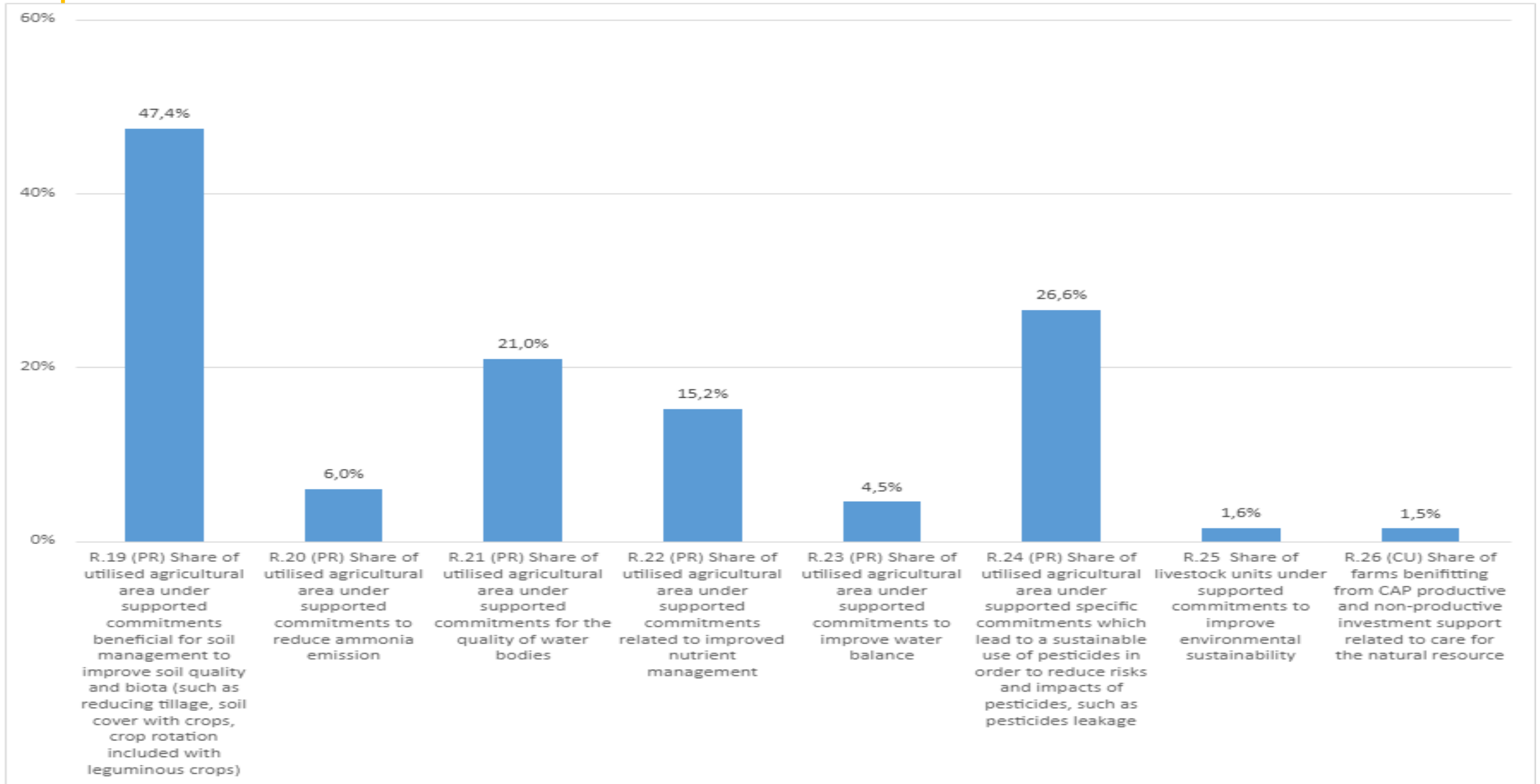




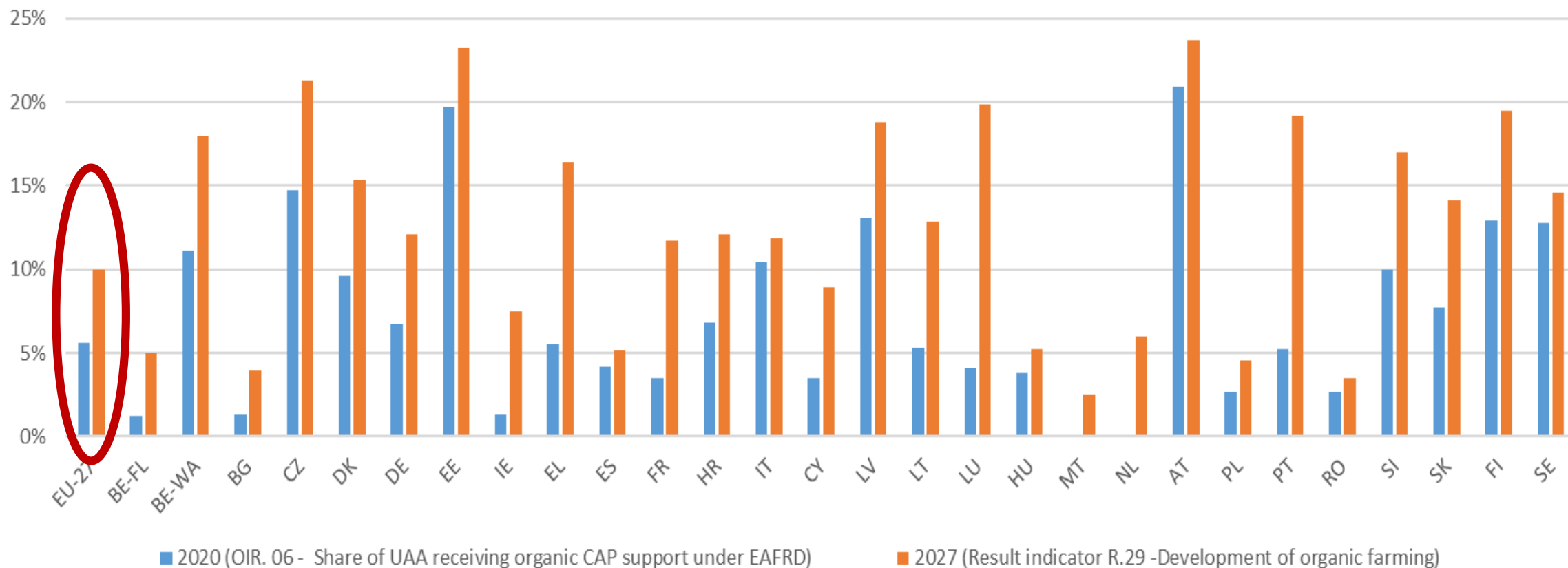
# Natural resources

- Farmers **protect soils and preserve soil potential** thanks to crop rotation. All Strategic Plans include this practice as a new basic condition for farmers
- In addition, the CAP Strategic Plans will help farmers restore **soil fertility**, reaching up to 47% of EU agricultural land. This also helps increase the **water retention capacity** and resilience to drought.
- Targeting **water resilience**, specifically, the Plans include support for actions on cultivating drought-adapted crops, establishing or restoring landscape features like ponds and hedges, stimulating agroforestry, improving irrigation equipment and infrastructure.
- To **reduce pollution from fertilisers and pesticides**, all farmers receiving support must create buffer strips along water courses of at least 3 metres,.
- To **reduce the use and risk of pesticides**, more than **26%** of EU agricultural land will receive support
- The **size of the area** that receives specific **CAP support for organic production** in 2027 **will almost double**, reaching close to 10%, compared to the area funded in 2020 (5.6%).

# Natural resources – key targets (beyond conditionality) EU-27



# Share of UAA supported by the CAP for organic farming (conversion and maintenance) in 2020 and for 2027



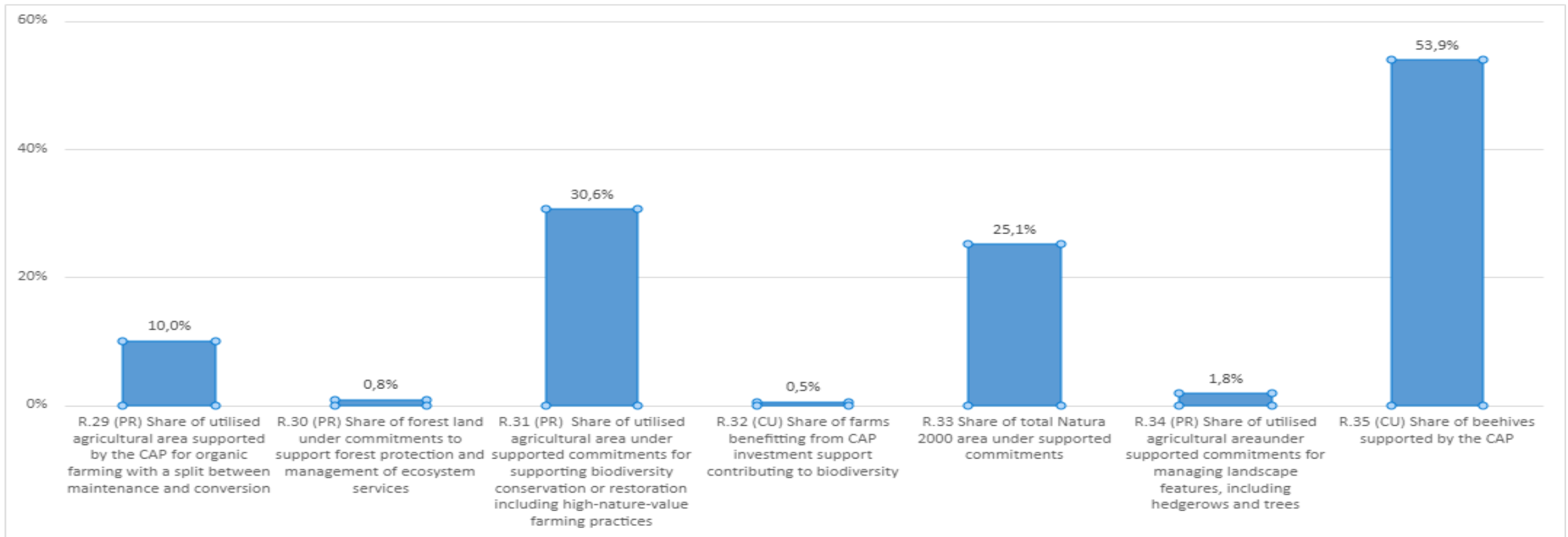
**CAP support for organic production in 2027 will almost double**

# Biodiversity

- The CAP Plans reward farmers for creating **space for nature on agricultural land and improving ecological connectivity**.
- As part of the **strengthened basic conditions**, farmers will maintain and protect **landscape features and other non-productive** areas, such as hedges, ditches, trees and fallow land on at least 4% of their arable land. This may lead to more than 3 million hectares **of non-productive areas and features**, which is significantly above the non-productive areas and features (around 1.9 million hectares), designated as ecological focus areas before 2023.
- In addition, farmers will be supported for managing 2.86 million hectares of landscape features and for establishing new ones, as well as encouraged to have extra non-productive land.
- **Environmentally sensitive permanent grasslands** remain covered by a ban on conversion or ploughing to protect the habitats and species. The area under this basic condition, applicable in **Natura 2000 zones**, is likely to be 9% higher than under the CAP before 2023.
- Targeted actions to **conserve or restore biodiversity** including high-nature-value farming practices will cover close to 31% of the EU's agricultural area.

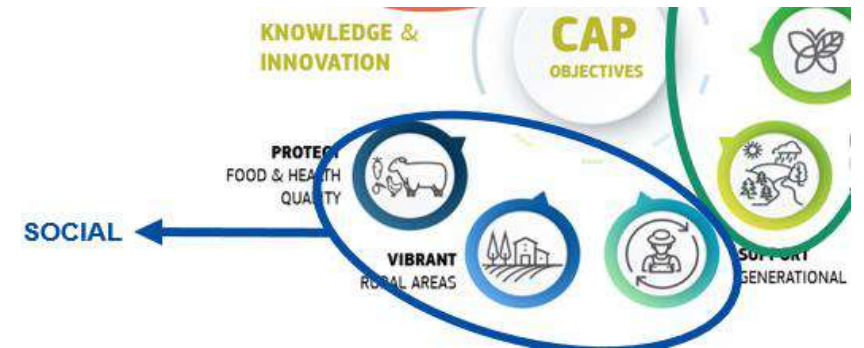
# Biodiversity

- 4% of landscape features on arable land: **3 million hectares of non-productive areas and features**, around 1.9 million hectares above the non-productive areas and features designated as ecological focus areas before 2023.
- Targeted actions to **conserve or restore biodiversity** including high-nature-value farming practices will cover close to **31%** of the EU's agricultural area.



# Improving social sustainability

# Improving knowledge, innovation and digitalisation

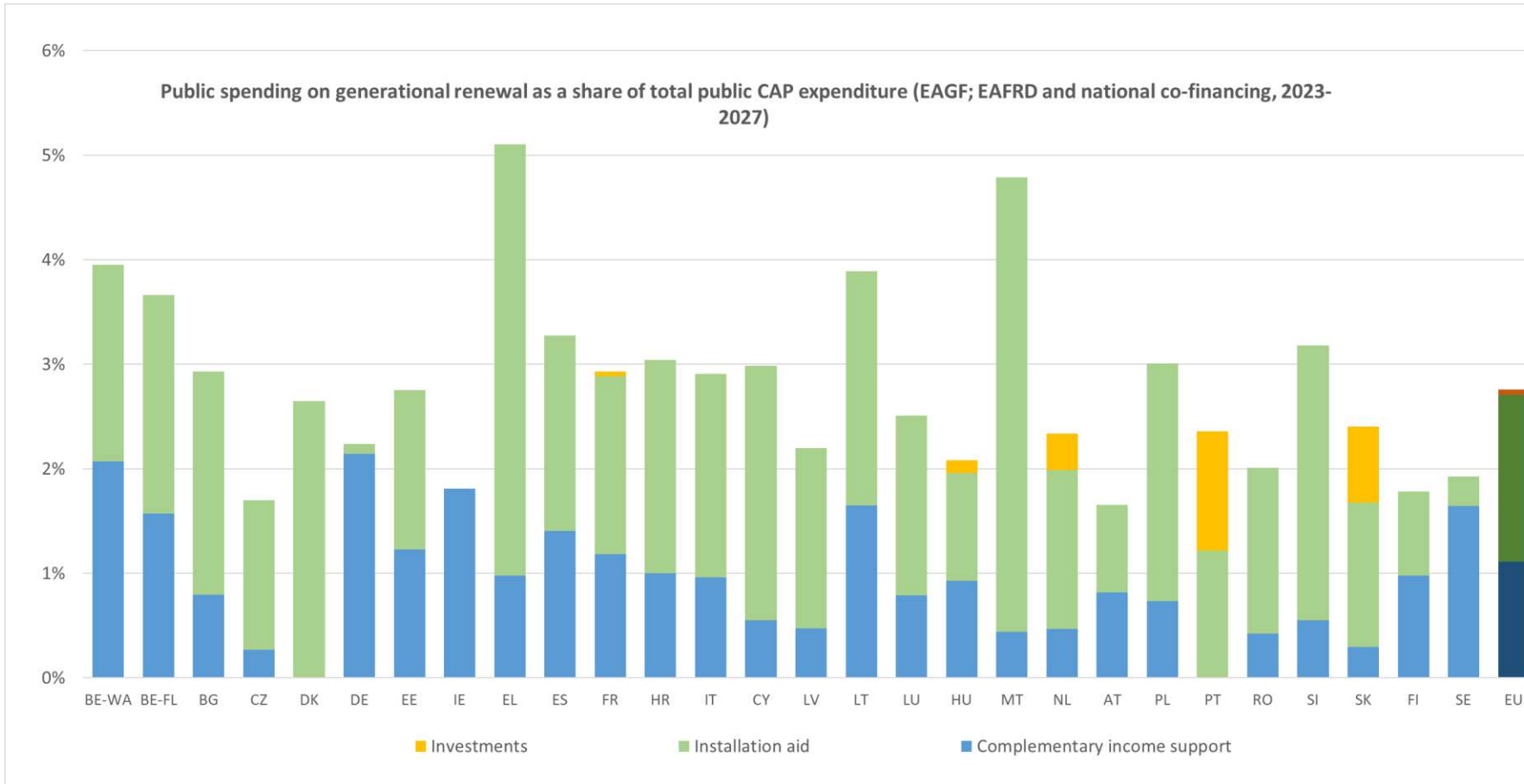


# Social conditionality - linking support to respect of farm workers' rights

- For the first time, CAP income support is conditional on compliance with certain EU social and labour standards. Application of the approach becomes mandatory in 2025.
  - FR, IT, AT and LU apply social conditionality in their rules from 2023
  - ES and PT from 2024. The rest of the MS start the application in 2025.



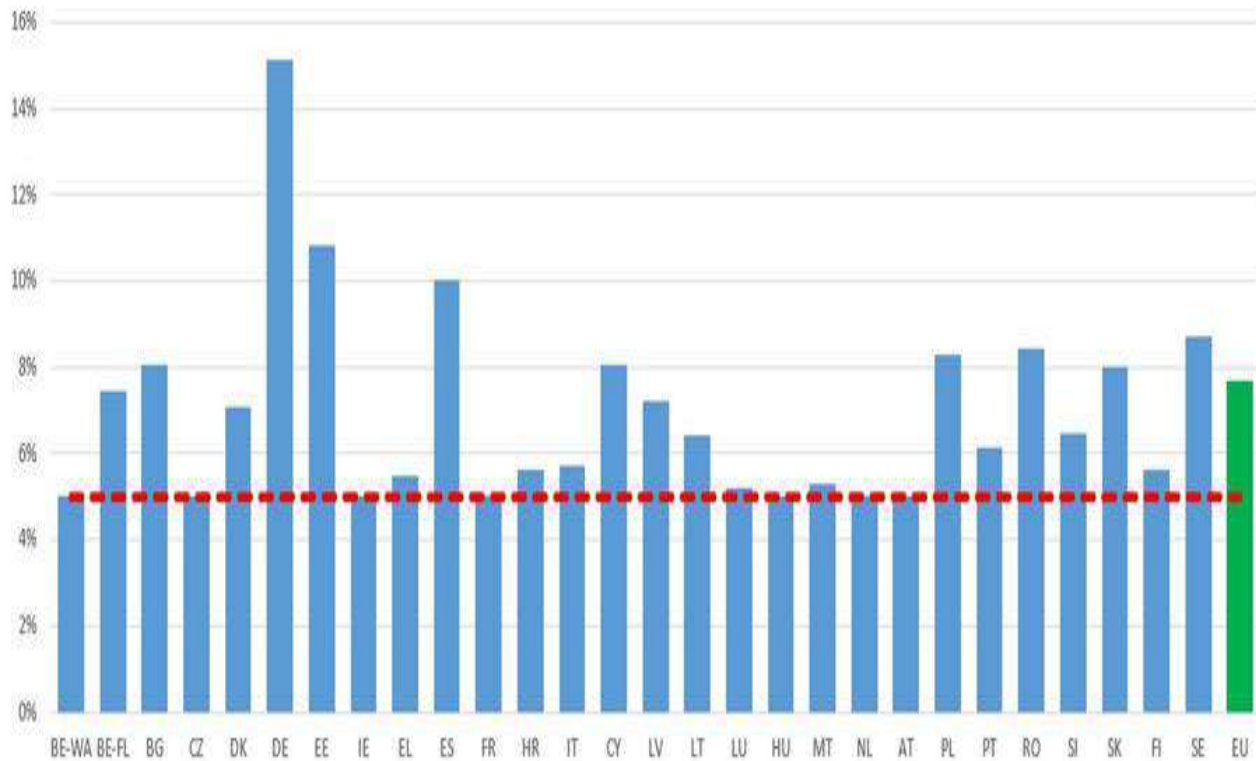
# Support to generational renewal



- 8.5 billion of support (2023-2027)
  - 377 000 young farmers expected to profit from it
- 26 CSPs provide for the complementary income support for young farmers (1.8% of DP)
- 27 CSPs will aid young farmers through support for setting up (5.2 % of RD)
- 5 MS schedule support for investments with higher rates exclusively for young farmers
- 5 MS support farms transfers through the cooperation intervention

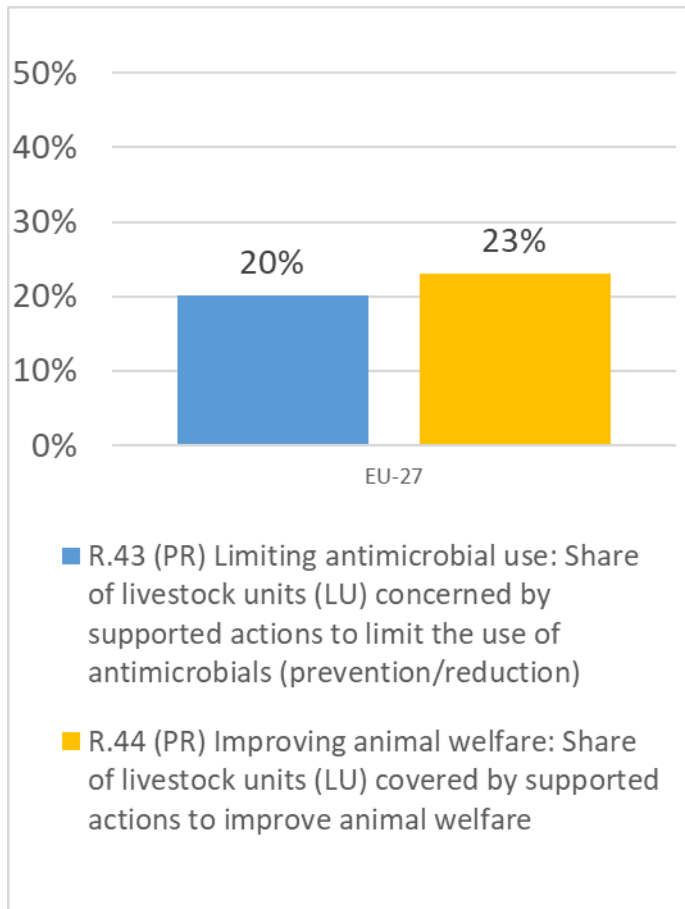
# Rural areas

Allocation of financial resources to LEADER



- On average **7.7% of the EAFRD** is reserved for community-led local development strategies (Leader) which support further job creation, aiming to cover territories - home to **65% of the rural population**.
- Plans aim to create **400 000 jobs** and also help development and implementation of more than **600 smart village strategies**.

# Animal welfare & AMR



27 CSP provide support for greater animal welfare and to combat antimicrobial resistance

- Through combinations of practices, investments, cooperation and training.
  - 22 CSP – through AECC interventions
  - 8 CSP – through eco-schemes
  - 3 CSP – under cooperation
- Covering a wide range of species
- Measures to reduce tail docking, longer period of pasture rearing, non-cage systems, increase of living space, improvement of hygiene and stable environment, improved quality of bedding area, improved water and feed quality, monitoring of animal health and behavioural.

# KNOWLEDGE, INNOVATION AND DIGITALISATION

- 2% of the public funding from EAFRD or close to 2.1 EUR billion is targeted to interventions for knowledge, exchange and information. The range is from 5 % to less than 1% in different CSPs.
- 6 600 innovation projects, carried out by Operational Groups under the European Innovation Partnership for Agricultural Productivity and Sustainability (EIP-AGRI)
- More than 200 000 independent advisers will be supported in their work to help transfer knowledge to and increase innovation among farmers
- Investments in digital technologies and services to optimise resource efficiency, including for precision farming

# Thank you



More information available on Europa Website:

[https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans-country\\_en](https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans-country_en)

EU countries' websites, where the formally approved CAP Strategic Plans can be found

The overview documents of the approved 28 CAP Strategic Plans

A summary overview of all the Plans