



Mapping and Analysis of CAP Strategic Plans

Assessment of joint efforts for 2023-2027

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Introduction to the mapping study

Context

- **The CAP 2023-2027**

- **New delivery model** of the CAP enabled Member States to develop a **needs-based strategy** through **national Strategic Plans**.
- The adopted strategy informed the design of and financial allocation to Direct Payments, Sectoral interventions, and Rural Development interventions.
- **28 CSPs** developed by Member States and approved by the European Commission by the end of 2022. Implementation commences from 2023 onwards.



What picture emerges for EU-27?

Objectives of the study

- **Mapping of the implementation choices made in the CAP Strategic Plans** for CAP instruments and Specific Objectives, including strategic choices
- **Assessment of “joint effort and common ambition”** of CAP Strategic Plans in attaining the Specific Objectives, including a first assessment of the consistency and contribution to the Green Deal

Scope of the study

Research focus

- Horizontal assessment for EU-27 based on final approved CSPs (2022)
- Assessment by SO
- No in-depth analysis by Member State

Approach

- Combination of descriptive and analytical elements
- Assessment of potential contributions towards SOs

Data basis

- Data on interventions and instruments (definitions, GAECs, etc.) from approved CSPs
- Limited data collection outside of CSPs

Timing

- Study ran from June 22 to June 23
- Ex-ante assessment

Summary of the main findings

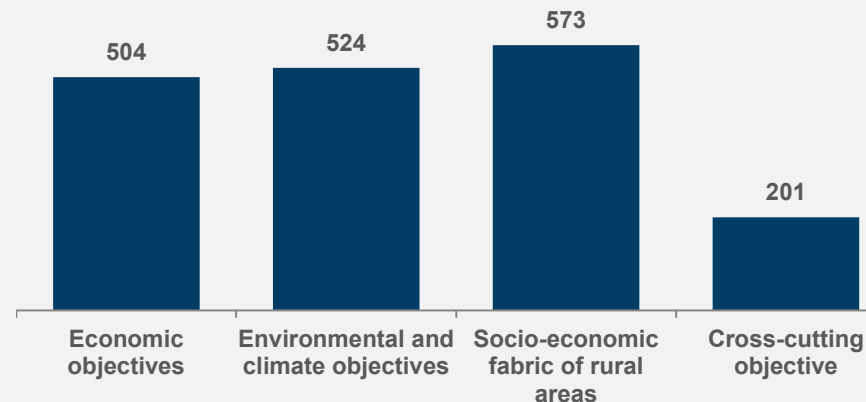
Horizontal findings: Needs

Member States identified **over 1,600 needs** for the specific objectives and the cross-cutting objective

All interventions designed in the CSPs address **at least one of the identified needs**:

- **Economic objectives:** Needs and prioritisation mostly aligned across Member States
- **Environmental and climate objectives:** Needs are similar, but prioritisation varies across Member States
- **Socio-economic fabric of rural areas:** Needs are more diverse in focus and prioritisation

Links between needs and objectives



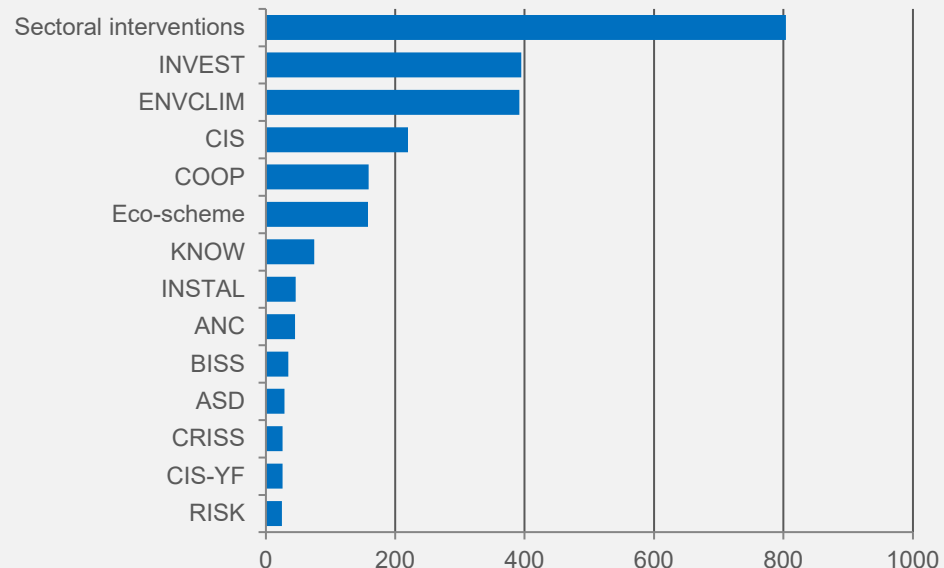
Horizontal findings: Interventions

Close to **2,500** interventions have been designed across the **28 CSPs**

Approach by Member States differ considerably:

- Some Member States define few and broad interventions with large financial allocations
- Some Member States define many smaller interventions

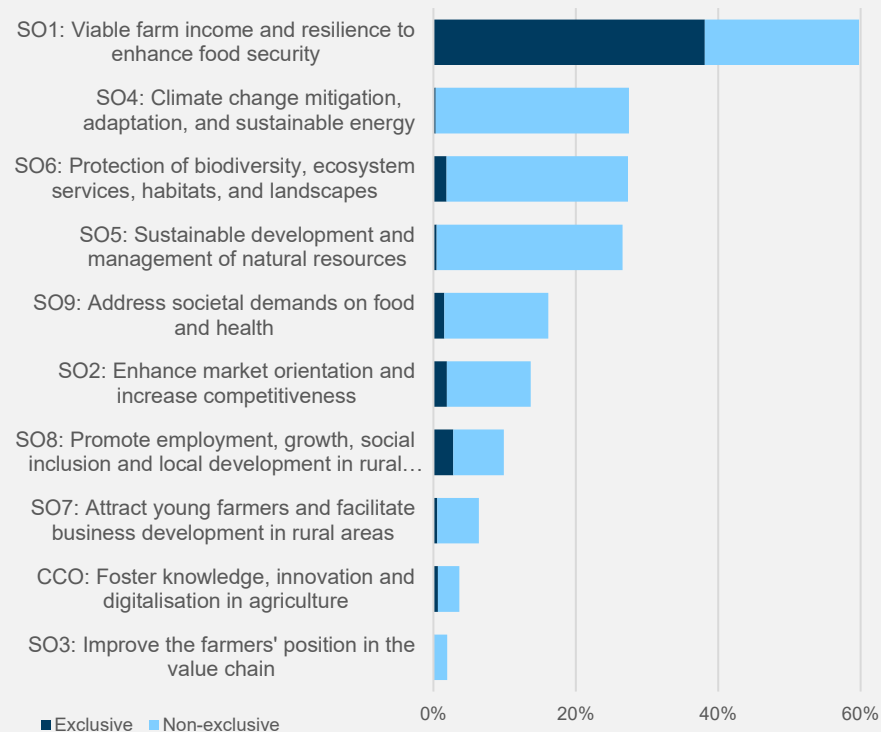
Number of intervention by type



Horizontal findings: Financial allocation

Total public expenditure amounts to **EUR 307 billion** for the **2023-2027** period

- Excludes national top-ups
- Conditionality is not captured by the financial allocation
- Most financial allocation aimed at more than one SO (*'non-exclusive'*)
- Highest expenditure allocated, for income support and the environmental and climate objectives



Foster a smart, competitive, resilient and diversified agricultural sector ensuring long-term food security



SO1: Support viable farm income and resilience across the Union to enhance food security



SO2: Enhance market orientation and increase competitiveness



SO3: Improve the farmers' position in the value chain

Overarching observations

The design of CSPs emphasise the support of farm income, in particular for farms more in need, as well as strengthening of farm competitiveness, whereas farmers' role in the food chain is mostly addressed outside the CSPs

- **Direct Payments: BISS, CIS, CRISS** – key interventions to contribute to farm income
- **Sectoral support:** Mostly linked to the economic objectives in the CSPs, but simultaneously contribute to all other SOs
- **Rural Development:**
 - **ANC and ASD** – provide income support to farms located in areas with more needs
 - **Investment support** – support for on-farm productive investments contribute to improving productivity of the farm sector
 - **Risk management** – contribute to stabilising farm income

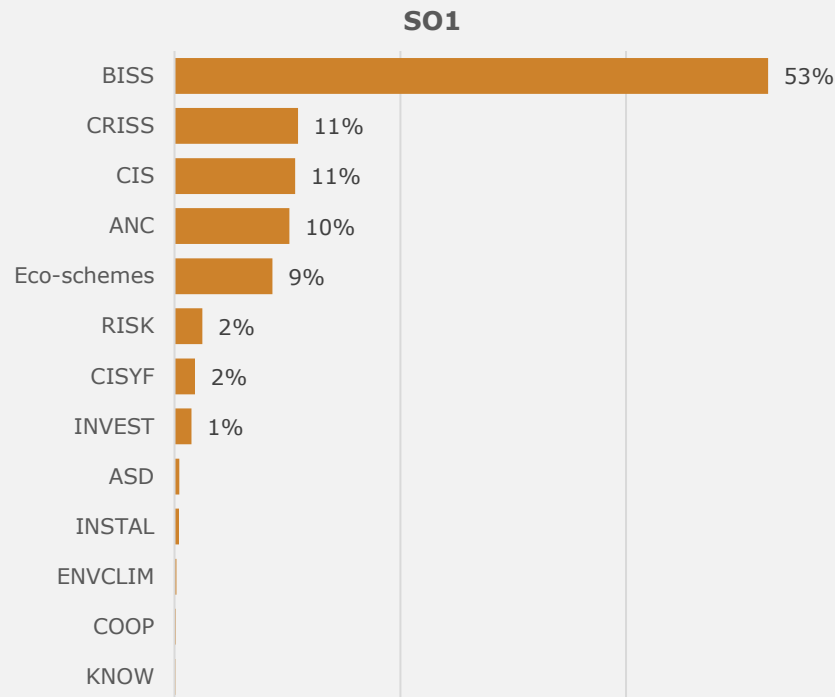
Supporting farmers' income remains a priority for MS

Needs identified and their prioritisation reflect the overall importance of this objective to MS

Income level of farms addressed through:

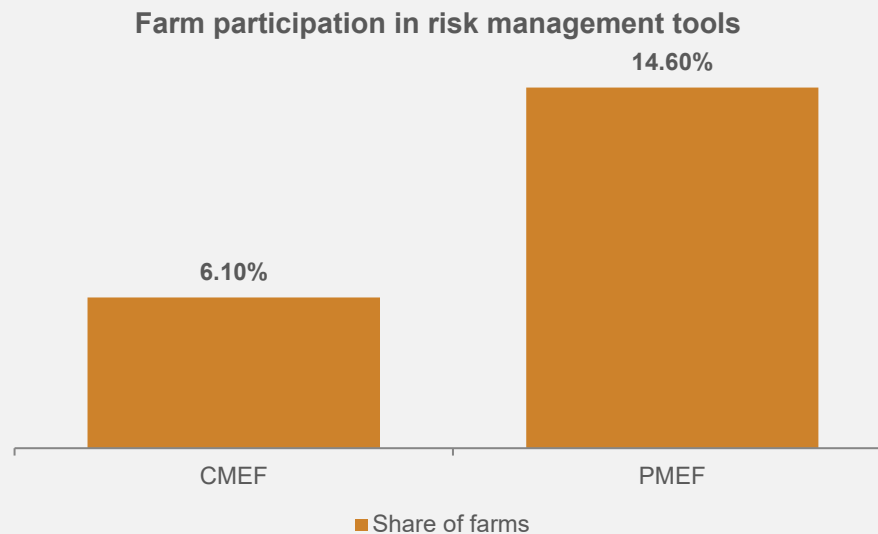
- Higher allocations to BISS and CIS compared to previous period for at least half of the MS
- Higher allocations to CRISS for all MS

Even so, the overall CAP budget has decreased compared to previous period, and more efforts expected from farmers for “same money”



The CSPs point towards continued efforts to contribute to reducing farm income volatility

- Important tools to reduce income volatility are the risk management tools supported under RD and support available under Sectoral interventions.
- CSPs suggest that the use of risk and crisis management through the CAP will increase but remain rather limited, as only about 15% of all EU farms are expected to benefit from such support.



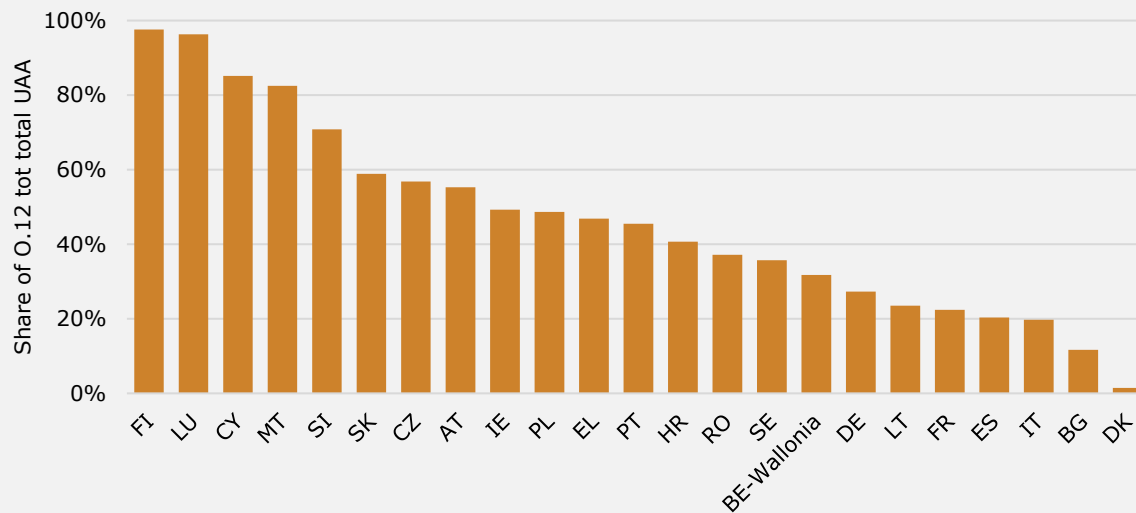
A significant effort detected towards redistributing income to those most in need: small- and medium sized farms

- Financial allocation to CRISS significantly increased
 - Implemented through 26 CSPs
 - 10.7% of EU direct payments or EUR 4 billion annually will be reallocated through redistributive payments, 2.5 times increase
- Reducing (degressivity) or capping the amounts of basic payments for bigger BISS beneficiaries
- A dedicated payment for small farms (5 CSPs)
- Differentiated or targeted design of numerous other interventions: CIS, ANC, INVEST
- The design of GAEC 7 and 8 requirements excludes the smaller farms in most of the Member States, thereby avoiding imposing additional costs on these farms

A significant effort detected towards redistributing income to those most in need: areas with particular needs

- 23 CSPs provide for a complement of the income support from direct payments through support for Areas with Natural or other Constraints (ANC): this intervention allows for higher income support for areas with natural or other area-specific constraints, including mountain areas.
- The areas identified to have higher needs will, according to the planned targets set by Member States, benefit from higher support compared to farms located outside of areas with particular needs.

Share of total UAA benefitting from support for areas facing natural or other constraints



0.12 Number of hectares benefiting from support for areas facing natural or other specific constraints, including a breakdown per type of area

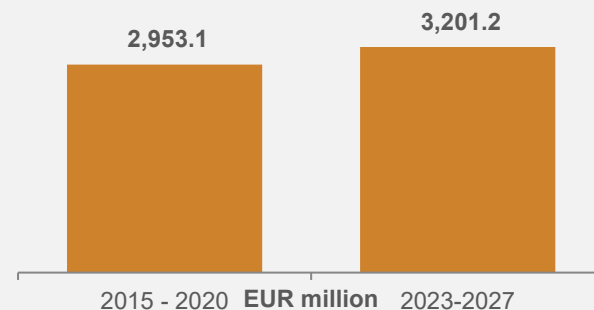
**Note that BE-Flanders, EE, HU, LV, NL have not planned any output in relation to this output indicator*

A significant effort detected towards redistributing income to those most in need: sectors in need

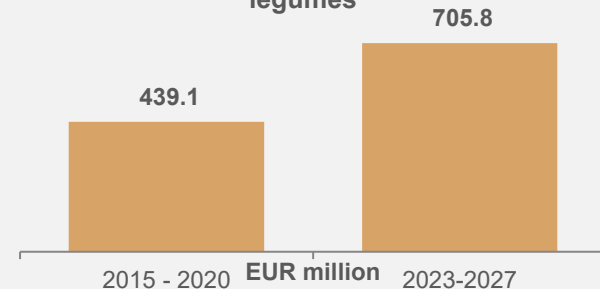
Planned financial allocations to Coupled Income Support (CIS) have increased in almost half of the MS

- 21% of EU farms likely to benefit from CIS (27 CSPs)
- Most MS provide targeted support for **beef, veal and milk** production
- About 70% of the financial allocations to CIS is directed towards the ruminant livestock sector.
- Support for **protein crops** corresponds to 15% of financial allocations to CIS, increased by 60% compared to the previous period.
- CIS allocation often motivated as a compensation for the lower incomes compared to other agricultural sectors in the EU and increasing competition from third countries

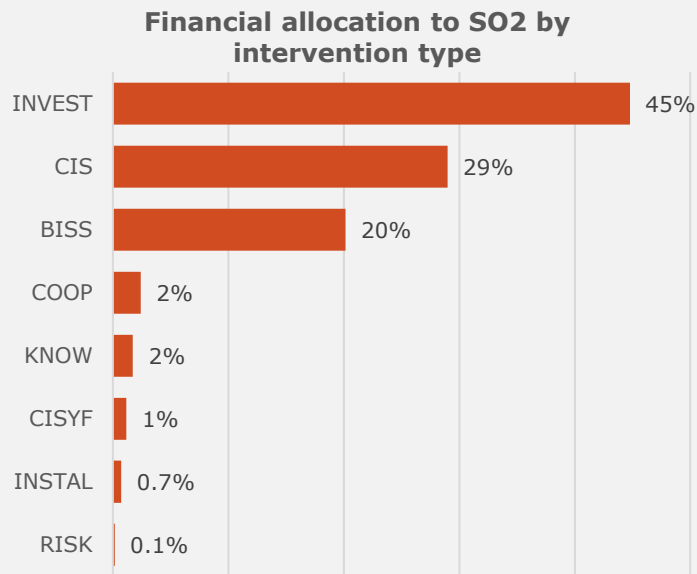
Average annual financial allocation for CIS to ruminant livestock sector



Average annual financial allocations to the protein crops sector, including legumes



Member States prioritise the contribution to productivity growth by stimulating innovation and the uptake of new practices and technologies

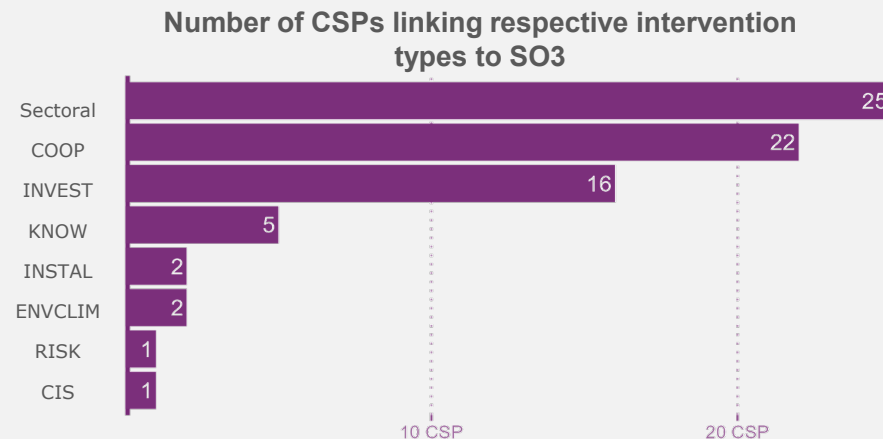


Share of total financial allocation

- About 400,000 farms are expected to benefit from **investment support**, an increase of both number of farms and financial allocations compared to the previous period
- Investment support mainly targeted at on-farm productive investments (78% of the investment interventions)
- 9 CSPs provide higher support levels for investments undertaken by small- and medium sized farms
- Almost all CSPs support **EIP-AGRI**, contributing to new innovations and innovative uptake at farm level

The CSPs provide support for strengthened cooperation and coordination among farmers, which can enhance their bargaining power and competitiveness

- 3% of the total planned financial expenditure are allocated to sectoral support, half of which is planned for the support of POs
- Most MS allocate between 2-6% of their financial expenditure to cooperation support, but few MS have allocated more than 20% of this to the support of PGs, POs, and other cooperations.
- At EU level, around 760 000, or about 8% of all farms will be supported from the CAP for participating in PGs, POs, local markets, short supply chain circuits and quality schemes.
- Organic farming will be supported by all CSPs and quality production through most CSPs, potentially contributing to a price premium for farmers



Support and strengthen environmental protection, including biodiversity, and climate action and to contribute to achieving the environmental and climate-related objectives of the Union



SO4: Contribute to climate change mitigation and adaptation, as well as sustainable energy



SO5: Foster sustainable development and efficient management of natural resources such as water, soil and air



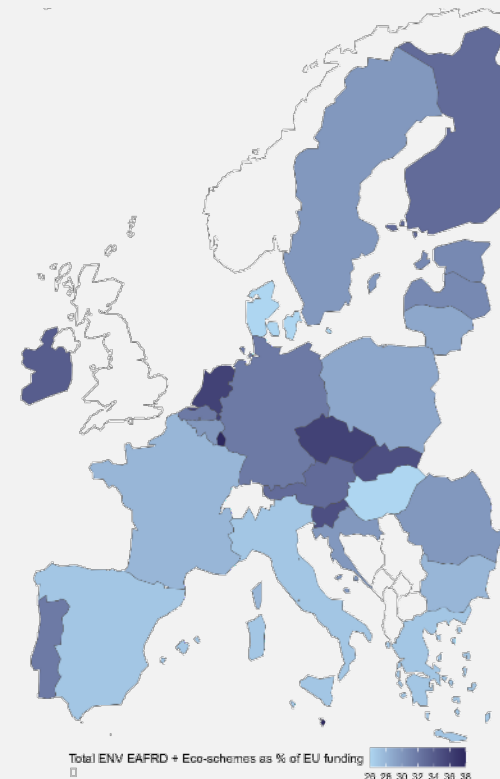
SO6: Contribution to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes

Overarching observations

The reformed CAP contributes to a higher degree of environmental and climate commitments from the agricultural sector

- **Conditionality** plays an important role in mainstreaming key farm practices
- **Eco-schemes**: represent the biggest financial contribution to GO2 from the CAP: EUR 44.7 billion, or 24%, of DPs, benefitting 70% of EU UAA
- **ENVCLIM**: EUR 33.2 billion, equivalent to 30% of the total public expenditure (including co-financing) allocated to RD, AECC benefitting 15% of EU UAA
- The planned Investment support, other RD interventions and sectoral support have the potential to make relevant contributions

Share of Member States' financial allocation to the environmental ring-fencing requirements (% of EU funding)



Mapping of farm practices

- Farm practice labels at four levels (Section and tiers)
- Labelling system captures practices related to:
 - Plant protection
 - Fertilisers and soil amendments
 - Manure storage and processing techniques
 - Soil management
 - Crop rotation or Crop diversification
 - Landscape
 - Forestry
 - Grassland and grazing
 - Animals
 - Other species
 - Water management
 - Bioeconomy, energy efficiency and production
 - Diagnosis and Management plans
 - Precision agriculture
 - Certification schemes
 - Organic farming
 - Low input systems
 - Training
- Farm practices assigned by interpretative reading of intervention design and unit amount name

What are farm practices?

JRC defined a set of farm practices to capture activities targeted/ supported by interventions

Study presents first roll-out of the labelling system to relevant interventions

Labelled

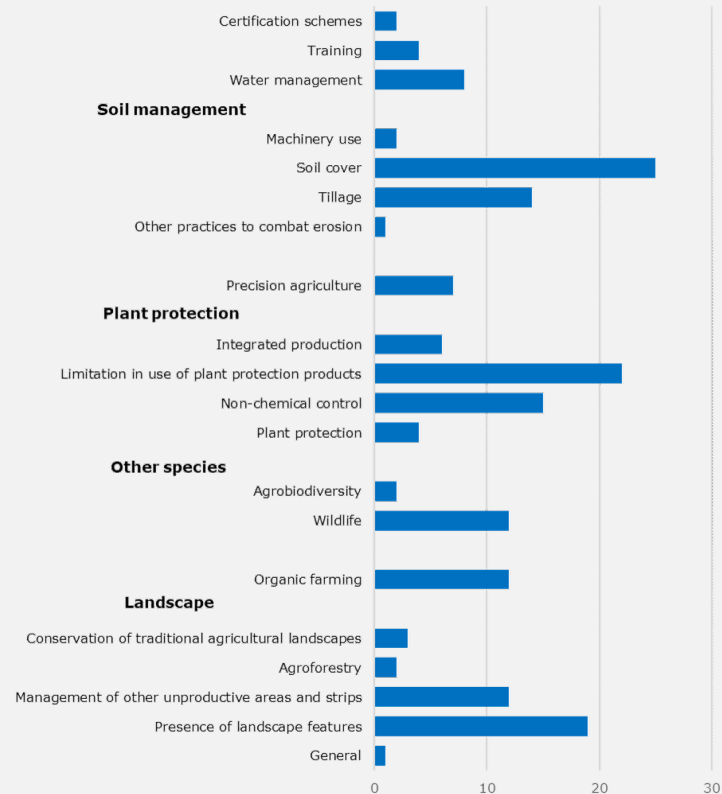
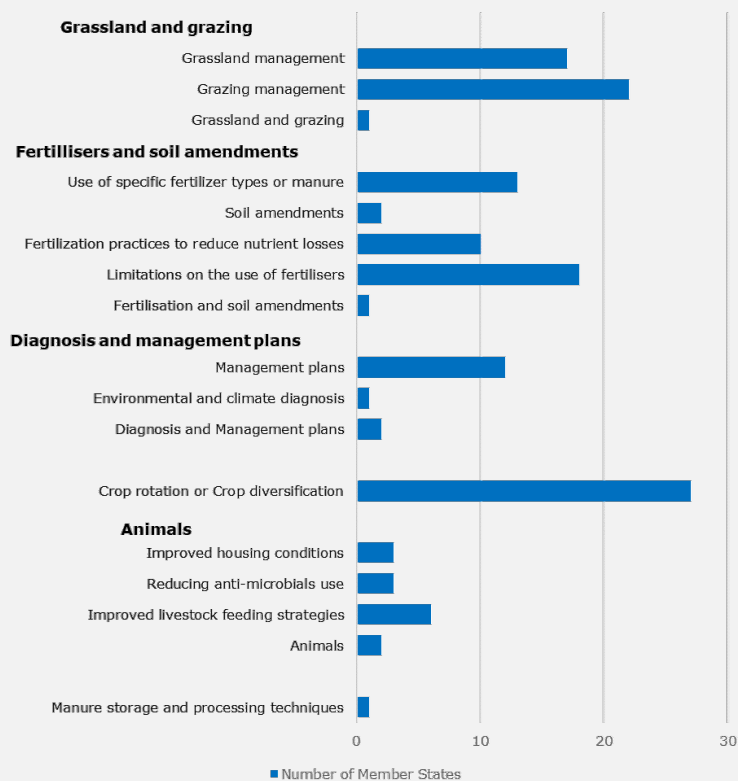
ENVCLIM and Eco-scheme interventions at unit amount level

INVEST and GAECs at intervention/ GAEC level

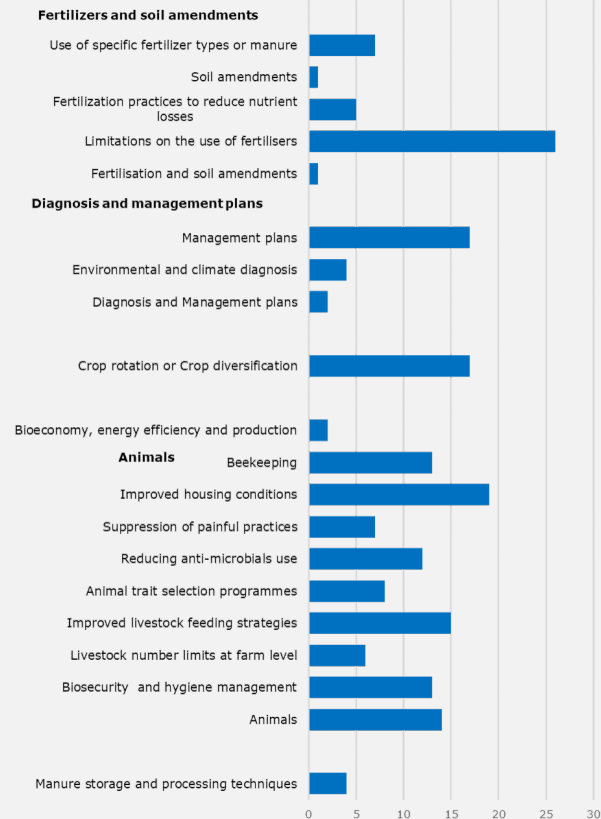
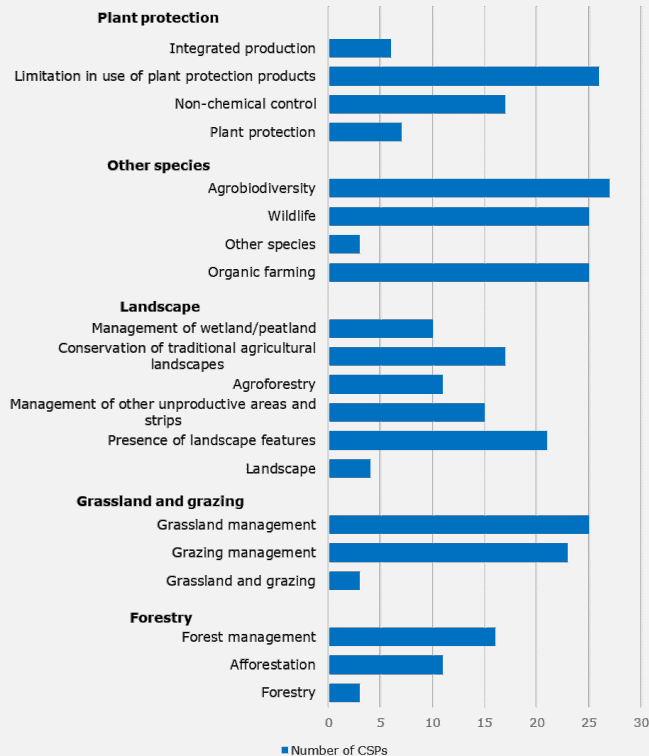
Each intervention/ unit amount may support more than one farm practice

Each farm practice may contribute to several objectives

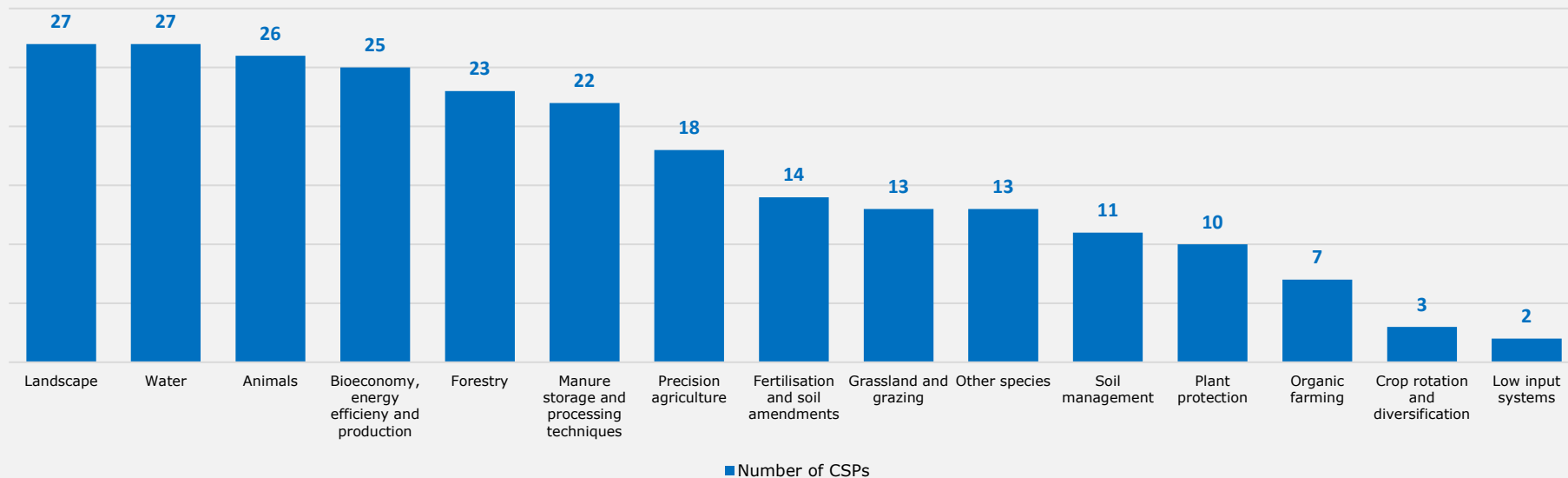
Supported farm practices under Eco-schemes



Supported farm practices under ENVCLIM



Supported farm practices under INVEST



Uncertain implications for climate change mitigation and adaptation

The CSPs contain positive elements contributing to climate change mitigation, but the overall impact from Member States' choices in the CSPs remains uncertain

- All CSPs recognise the need to address climate change mitigation.
- According to the Member States, related needs are largely addressed through the design of the CSPs, and 82% of the area targeted by Eco-schemes is expected to have a climate change mitigation element.

Strategies for adaptation to climate change are less clear from the CSPs

- All CSPs recognise the need for improving climate resilience and adaptation. Indirectly, the design of several may contribute to this purpose.
- However, a general lack of detail and explicit consideration of how specific objectives contribute to resilience in the CSPs.

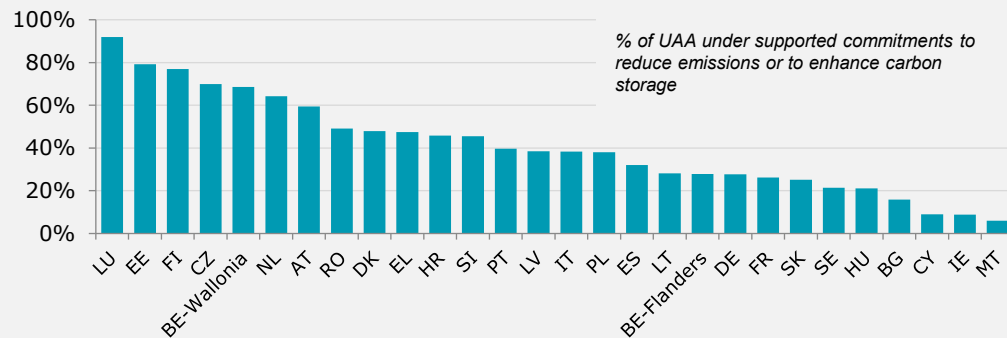
Member States make efforts to reduce and capture GHG emissions

Positive contributions from the CSPs particularly expected on carbon sequestration

- Enhanced requirements (GAECs),
- Definitions of permanent grassland and eligible hectare in many CSPs include trees and shrubs and other landscape features.
- The vast majority of CSPs support farm practices beneficial for the maintenance and increase of carbon removals.
- The interaction of various interventions will be interesting.
- Contribution of forestry on both forest land and through agroforestry.

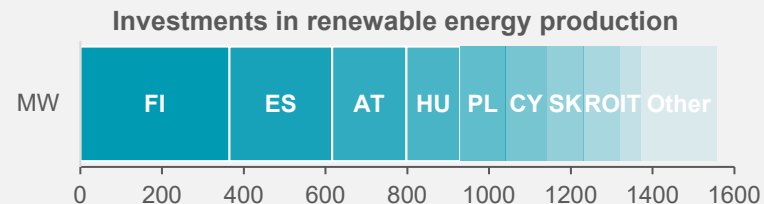
Farm practices that serve the purpose of GHG emission reduction are included to a lesser extent than those supporting carbon sequestration

- Many MS plan on supporting farm practices that may have a positive impact on GHG emission reductions.
- However, lack of detail on how the design of voluntary schemes will directly contribute to the reduction of GHG emissions.



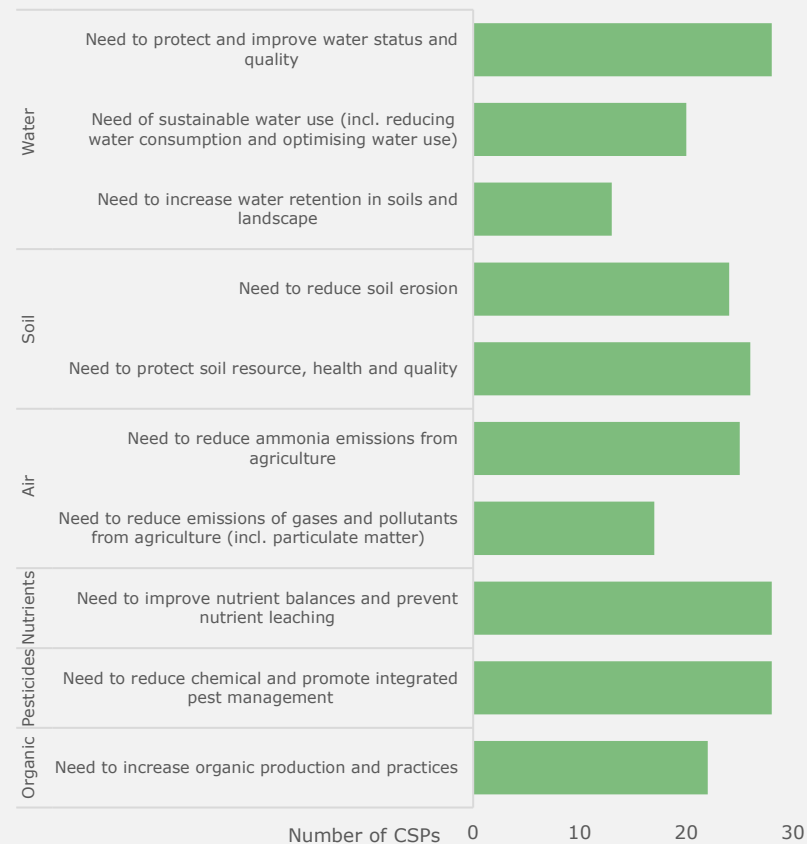
The CSPs expected to, to a limited extent, contribute to increased renewable energy production, energy efficiency, the bioeconomy and sustainable forestry

- CSPs identified related needs, but only partially addressed through CSPs
- More than 2000 operations are to be targeted through support for on-farm investments in renewable energy supply and energy efficiency improvement targeting.
 - Majority of CSPs plan to support investments in renewable energy, although the overall contribution to higher production capacity is small
 - About half of the CSPs foresee support for investments to improve energy efficiency
- Most of the Member States foresee forest-related interventions, either through investment support or management commitments
- INVEST, ENVCLIM and COOP planned to support bioeconomy in majority of CSPs



There is a joint effort to address issues related to the use of natural resources in the CSPs

- Needs identified in all CSPs – definition of needs and their prioritisation vary across MS
- Contribution from conditionality
- Eco-schemes and ENVCLIM support wide range of farm practices, (e.g. water quality, soil management, improved fertiliser and pesticide use, etc.)
- Most CSPs plan support for green investments beneficial for natural resources (in particular air pollution, improved soil management practices and improved pesticides management)
- Most CSPs support investments in irrigation efficiency and irrigation infrastructure; investments to increase irrigated area are supported in about half of the MS.



Contribution to Green Deal targets

Enhanced conditionality and voluntary interventions will likely contribute to the ambition to reduce the use and loss of fertilisers and the use and risk of chemical pesticides by 2030

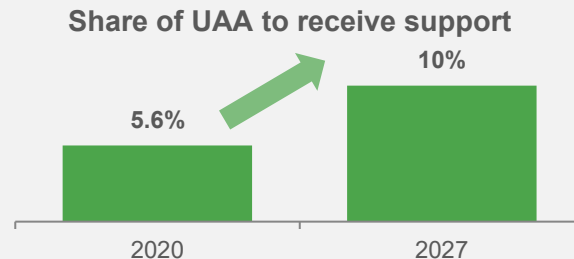
Fertilisers: baseline to address nutrient pollution has generally increased due to the strengthening of conditionality; impacts are reinforced through numerous voluntary schemes aimed at improving fertiliser use and an increased focus on using legumes and nitrogen fixing crops in crop rotations

Pesticides: conditionality now includes provisions of SUD as a new SMR and GAEC standards strengthened compared to the previous period. Voluntary schemes support a large range of farm practices on pesticide management, including measures to further restrict the use of synthetic pesticides, to supporting the uptake of alternative forms of plant protection

The majority of CSPs provide overviews of how they will contribute to the EU Green Deal targets, although most CSPs do not report national target values regarding nutrient losses and the use and risk of pesticides.

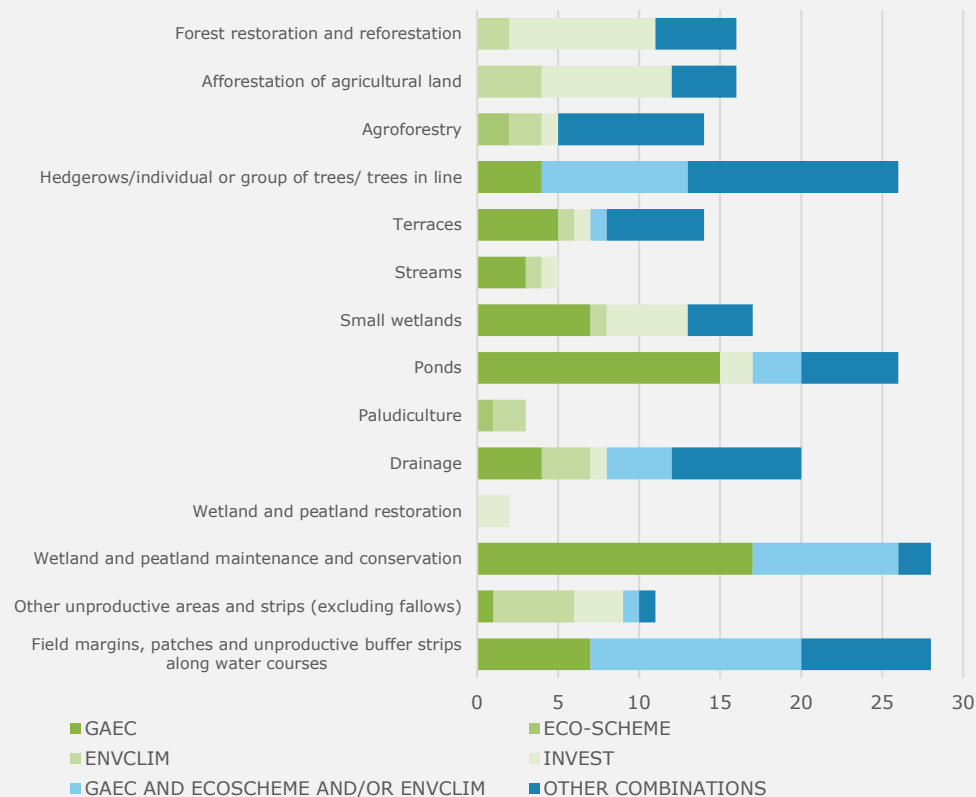
The CSPs demonstrate increased ambitions to support organic farming

- Numerous interventions to support conversion to and maintain existing organic farming.
- All MS plan to increase the share of UAA supported by the CAP.
- Average annual financial allocation to organic farming increase significantly in at least 24 CSPs



The CSPs will contribute towards protection of biodiversity and preservation of habitats and landscapes

- The CSPs appear to make a valuable contribution towards the target of at least 10% high diversity landscape features on agricultural land
- Strengthened GAEC 8 requirements (non-productive features)
- Several MS taken bold decisions for biodiversity targeting through the design and combination of different interventions, including results-based interventions and cooperation of farmers on landscape scale
- However, some schemes with promising design seem to have low financial allocation and target areas
- EU level: **30.7%** of UAA planned to be under commitments supporting biodiversity conservation or restoration



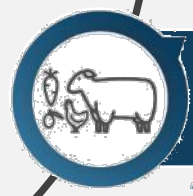
Strengthen the socio-economic fabric of rural areas



SO7: Attract young farmers and facilitate business development in rural areas



SO8: Promote employment, growth, social inclusion and local development in rural areas, including bio-economy and sustainable forestry



SO9: Improve the response of EU agriculture to societal demands on food and health, incl. safe, nutritious and sustainable food, as well as animal welfare

Overarching observations

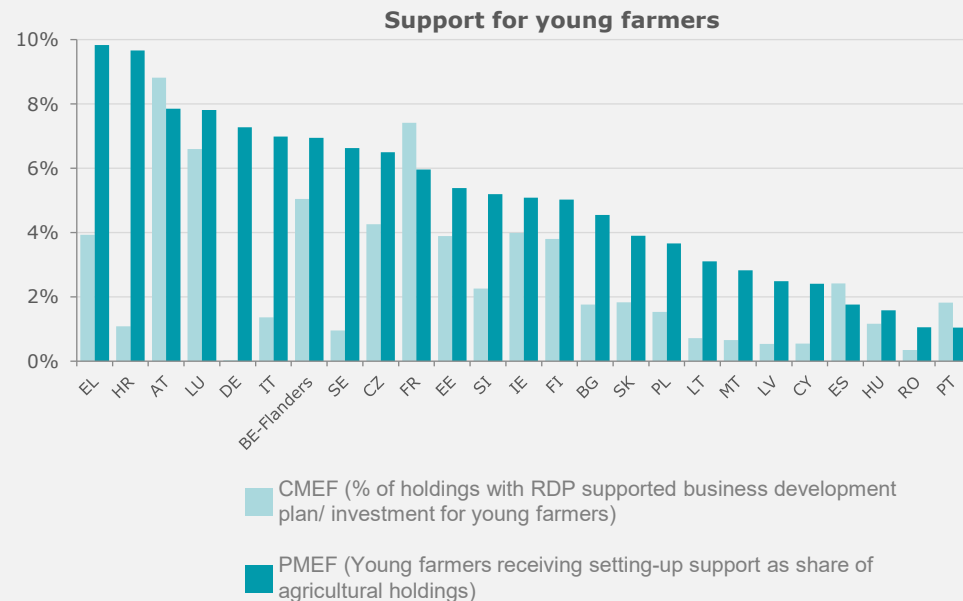
The impacts on the social and territorial related objectives are less clear from the design of the CSPs

The main types of interventions to support these SOs often have an open and wide design, which inhibits drawing far-fetched conclusions at an ex-ante stage

- **Cooperation support**, including LEADER, contribute to all ten SOs, major tool in particular in relation to SO8 (and the CCO), also contributing to generational renewal
- **Investment support** – also contribute to all ten SOs, major tool in relation to SO7, SO8, SO9 (and the CCO)
- **Installation aid** – contribute foremost to generational renewal, complemented by **CIS-YF** (DPs)
- **ENVCLIM and Eco-schemes** – support animal farm practices contributing to SO9

CSPs demonstrate a continued effort to contribute to increasing the number of young and new farmers in the coming years

- Needs identified in this regard by all CSPs, almost all CSPs offer a combination of CIS-YF and Installation aid
- Member States plan to support about 368,000 young farmers to establish agricultural production
- Many Member States offer higher support for investments undertaken by young farmers; some also offer targeted financial instruments to young farmers as a complement.
- Almost all Member States go beyond the minimum requirements for financial allocations from EAGF and EAFRD to young farmers
- A third of the Member States have, for the first time, introduced support for the setting up of new farms



The overall impact of the CSPs on rural development remains uncertain (I)

- The highest number of needs identified across the CSPs are linked to the socio-economic fabric of rural areas.
 - Not matched by the interventions and the financial allocations for the interventions designed to address these needs.
- Member States continue to rely on LEADER as the main intervention to strengthen rural areas.
- Local development strategies implemented through LEADER have the potential to respond to multiple needs of rural areas, but LDSs are still to be selected, the CSPs are only indicative.
- Achieving more with less:
 - an overall decrease in the financial allocation for LEADER, but
 - most MS have set higher ambitions for the coverage of the rural population benefiting from the strategies under LEADER.

There are however efforts to contribute to certain aspects of rural development

- Contribution to **employment** in rural areas through Investment support, Installation aid and LEADER,
- Support for the development of **smart villages** may also contribute to employment generation, local development and social inclusion: supported by most CSPs but few have set targets – this is expected to change once LDS are selected
- Some MS have introduced for the first time, or increased the financial allocation to, **investment support in infrastructure and basic services in rural areas**
 - but the majority seem to have reduced their ambition in this field,
- The reduction of **poverty and social exclusion** is not prominent in MS choices, with exceptions for those facing most serious issues
- For the first time, **gender equality** is part of the CAP objectives:
 - Most Member States address gender inequalities via LEADER, one MS has included a top-up to the income support for young female farmers.

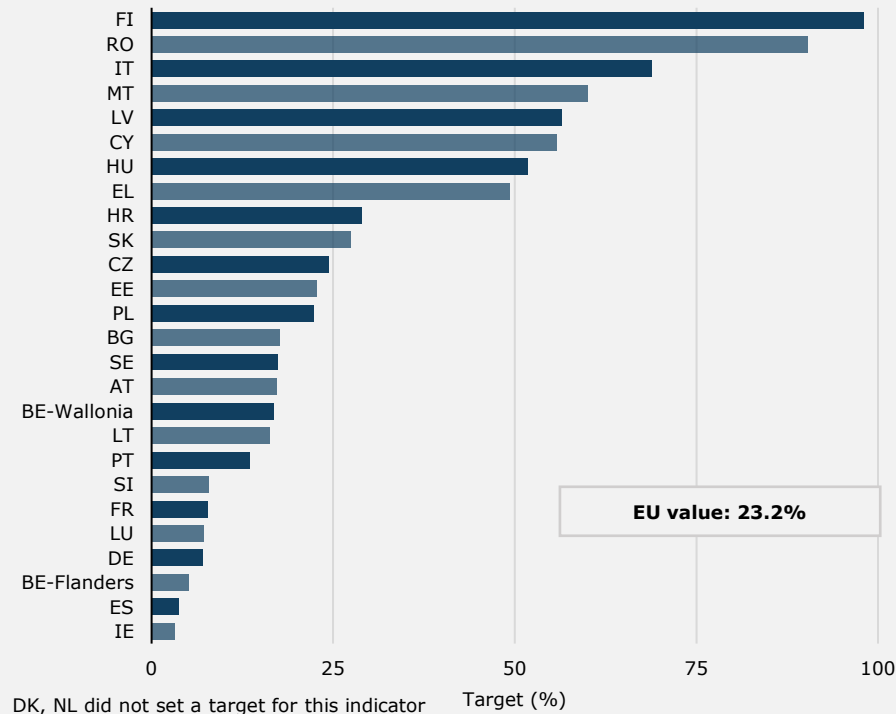
The CSPs demonstrate an increased ambition to improve animal welfare

- The identification of AW related needs, and the prioritisation of improving animal welfare varies significantly across MS
- Still, the share of LU targeted by supported actions to improve AW has increased compared to previous period, and
- The financial allocation to CAP interventions promoting animal welfare (i.e. ENVCLIM, Eco-schemes) has also increased
- This suggests an increased ambition of MS compared to the previous programming period.
- CAP interventions designed by Member States mostly support improved feeding regimes and housing conditions (e.g. outdoor access, space allowance per animal, litter and indoor flooring), as well as increased biosecurity and hygiene management.
- In general, all animal sectors are targeted by the AW CAP interventions, although some Member States have targeted only specific sectors

The reduction of antimicrobial use is mostly addressed outside the CSPs

- Member States acknowledge the need to reduce antimicrobials use, notably among those with the highest sales rates, however often these needs are stated to be addressed outside the CSPs
- The financial allocation to interventions designed to address AMR is relatively low.
- Across the EU, less than 30% of national livestock units will be targeted by support from the CAP for this purpose.
- Yet, some of the Member States setting higher targets in relation to supporting the reduction of antimicrobials use through the CAP are those with currently the higher antimicrobials sales.

Share of livestock units addressed by actions to limit the use of antimicrobials



Cross-cutting objective



CCO: Fostering knowledge, innovation and digitalisation in agriculture

Key observations

- Almost all Member States plan to support **innovation** through **EIP-AGRI**
 - Number of EIP OGs planned per year tripled compared to previous period
- MS choices may contribute to supporting **training of farmers and farm advice**, which in turn may contribute to improve farm practices - the limitation is the financial allocation
- All CSPs support **knowledge exchange**
 - A third of planned outputs from related interventions concern contributions to env/clim objectives
 - Yet, low financial allocation for knowledge exchange (0.1% to 2.7% of CSP funding)



Support for the adoption of digital technologies by farmers under the CAP shows low ambition

Less than 3% of farms are expected to benefit from investment support for this purpose. In addition:

- Eco-schemes and ENVCLIM interventions support precision farming
- Cooperation support and knowledge exchange support broadband investments and smart villages to address gaps in skills or infrastructure
- MS, in their digitalising strategies in the CSPs, often outline how they intend to address digitalisation needs outside the CSPs, suggesting that the CAP will complement other funds.

Acknowledgements

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Thank you for your attention!

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