

EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate B – Sustainability **The Director (acting)**

> Brussels, AGRI B/MP/(ARES 4242353)

MINUTES

Meeting of the Civil Dialog Group Environment & Climate Change

on Friday 17 March 2023

Chair: AGRI B2 Head of Unit

Following organisations were represented: AEEU; AnimalHealthEurope; AREFLH; Bee Life; BirdLife EUROPE; CEETTAR; CEJA; CELCAA; CEPF; CEPM; COGECA; COPA; EAPF; EEB; EFA; EFNCP; ELO; EMB; ERCA; ERPA; EURAF; Euromontana; EUSTAFOR; FESASS; FOEE; FoodDrinkEurope; Freshfel Europe; IBMA; IFOAM; Slow Food; PFP; USSE; WWF

1. Approval of the agenda

The chairperson welcomed the members of the Civil Dialogue Group (CDG) with specific mention to the new members after adoption of the new structure and rules for all CDGs. The agenda was approved by the group. As an information point, representatives of the interpretation service of the Commission (SCIC) made a presentation with recommendations and tips for participants in hybrid meetings, like location, equipment and code of conduct for remote speakers. One of the most important recommendations was to use an appropriate audio device like a specific microphone to improve audio quality which is essential for interpreters' work. The use of inappropriate audio devices will imply no interpretation of the concerned participants' interventions.

2. Nature of the meeting

Non-public.

3. List of points discussed

Point 3. New Rules of Procedure (RoP)

The Commission representative (DG AGRI) summarised the new governance and rules of procedure after the adoption of the Commission Decision (EU) 2022/1368 setting up Civil Dialogue Groups related to the Common Agricultural Policy (CAP). These RoP concern characteristics of membership and representation, obligation for members to be registered

in the Transparency Register, conditions for observers and ad hoc experts, meetings' format and the possibility to have active and passive participants.

Some participants suggested to send the meeting's agenda in due time (at least one month before). The Commission representative indicated that the invitations and the agenda are to be sent together but the difficulty is the late SCIC confirmation of interpretation availability for each meeting. The Commission representative suggested for next time to share with the CDG members an advanced copy of the agenda waiting for the confirmation of interpretation availability. The new RoP were adopted by the group.

Point 4. Presentation of members appointed for this CDG

The members of the CDG presented their own expertise as well as their main expectations for this group. The chairperson indicated that in case members are not available for their presentation today will have a new opportunity to do so at the next meeting.

Point 5. Presentation on the revised 'Regulation on land use, land-use change and forestry (LULUCF) and on the proposal for a Regulation on carbon removal certification (CRC)

The Commission representative (DG CLIMA) made a presentation on the Regulation LULUCF and on the proposal for a Regulation on Carbon Removal Certification (CRC) (slides shown are shared on CIRCABC). After the presentation some participants made some suggestions:

- Concerns about not considering carbon holding biomass produced which saves and fixes carbon and in practice substitutes current fossil carbon use (COPA and COGECA representatives).
- Soil health is to be linked to climate crisis and need to recognize organic producers as pioneers in carbon stockage. Agroforestry shall be promoted (IFOAM, EUSTAFOR).
- Carbon market will contribute to LULUCF objective and how to avoid double counting? (EUSTAFOR).
- First to adapt priorities other than carbon sequestration and promote better governance, use peatland equivalent better use of aggregations (ELO).
- Modification of national plans are not public (EURAF).

The COM representative replied that the CRC proposal focuses on quantifying carbon removals. Reductions of non-CO2 emissions from agriculture, associated to carbon removals, are very important but they are not carbon removals. However, the proposal rewards these reductions under the category of 'co-benefits'. The EU quality criteria will be further operationalised through tailored certification methodologies to be adopted through Delegated Acts, in consultation with a newly established Carbon Removals Expert Group. The CRC proposal allows for the certification of both permanent and temporary carbon removals, as both have a role to play to achieve carbon neutrality. The Commission will approve certification programmes that will a) certify carbon removal projects against the EU criteria and b) maintain interoperable registries to avoid double counting.

In another round of questions:

- It was questioned who will pay for the certification. Experience shows that forest certifications is not remunerated by market thus financing will be necessary (CETTAR).

- This proposed system does not prevent against biodiversity loss (Birdlife).
- Carbon removals from biomass production is to be considered (CEPM).

The Commission representative highlighted that the CRC proposal aims to enable funding for carbon removals from a number of financing sources, such as State Aid, CAP support, and voluntary corporate funding (e.g. from food sector companies). The sustainability criterion requires removal activities to have a neutral or positive effect on sustainability objectives, including on biodiversity restoration and protection. The CRC proposal is open to all activities that remove atmospheric carbon and meet the EU quality criteria and related verification rules.

Point 6. New CAP 2023-2027: Environmental and Climate Elements: State of play on overview and analysing exercises related to the content of the CAP Strategic Plans, in particular its green elements

The Commission representative (DG AGRI) presented a short overview on the planned activities with regard to exercises related to overviews and analysis of the approved CAP plans (slides shown are shared on CIRCABC). After the presentation the following comments were made:

- Dashboard and level of detail: with regard to carbon farming, will the financial allocation dedicated to carbon farming or how many regions have included a certain intervention be visible on the dashboard? (FoodDrink Europe)
- Will recommendations/observations to MS be published? (IFAOM)

The Commission representative explained that the dashboard only constitutes a summary, in the catalogue of interventions more information will be available, e.g. the link of interventions to the farming practices. However, financial data will be only available at the level of the intervention. With regard to the publication of recommendations, he replied that the purpose of the tools is to provide data, information and overviews on the CAP Strategic Plans. Only in 2025 the legal framework allows the Commission to issue recommendations to the MS but this will be done through other means.

Point 7. First overview of early CSP implementation and point 8. Exchange of views on factors facilitating/limiting the uptake by beneficiaries on green CAP interventions (eco-schemes, agri-environmental measures, green investments)

Members of the CDG were invited to present their views and experiences with regard to the implementation of the CAP Strategic Plans in the Member States, especially with regard to green elements of the CAP. The following views were shared:

Members of COPA mentioned that it is still too early to draw any conclusions, but the main problems are related to the huge administrative burden and the complex regulatory framework. More simplification for farmers is needed. In some MS, the support rates are considered too low to attract farmers to participate (e.g. eco-scheme of 15 EUR per ha). Moreover, the plans were adopted too late and in some countries the national legislations for the implementation of the CSP are still not ready. This brings a lot of uncertainty to the farmers. and they should not be penalized for that.

Members of COGECA expressed their concerns regarding the legal uncertainty for farmers since in some MS the national legislations are not ready due to the late approval of the CSP. Farmers need clear and stable rules and are now worried about sanctions and possible late payments. Conditionality rules bring an additional burden on farmers and they need

time to adapt. In some cases, local/regional conditions are not taken into account. Moreover, the new proposed EU legislation (e.g. IED, SUR) is seen as an additional challenge for farmers. It was also mentioned that cooperative approaches should be encouraged (e.g. for eco-schemes or agri-environment-climate commitments) since this would help farmers to reduce the administrative burden and improve the environmental impact.

Members of IFOAM mentioned problems with regard to the definition of non-productive areas (for GAEC 8 and eco-schemes) and that these areas are not allowed to be grazed although it would contribute positively to biodiversity. This problem should be also considered for the discussion on the proposal of the Nature Restoration Law. Moreover, the removal of old landscape features should be prohibited. Furthermore, it was mentioned that the development and uptake of the organic farming intervention has to be monitored in certain MS since it has been weakened.

A member of EURAF stated that the result indicators are not very meaningful and impact indicators would be more interesting. Therefore the member raised the question whether the impact indicators will be also published and whether COM will go back to MS to correct indicators, e.g. to split up R.17.

Members of EFNCP are of the opinion that the risks of administrative penalties are sometimes too high and the measures should be developed together with the farmers. Support should not be provided only for cost incurred but also for the ecosystem services. This group should have a closer look at innovative instruments (e.g. NL) to remunerate for providing public goods.

A member of BIRDLIFE asked whether the amendments of the CSP will be published and how the Strategic Environmental Assessment (SEA) will be taken into account.

The chair (DG AGRI) thanked to the members for their comments and views.

With regard to the national implementation rules which are still not in place and the lack of information she replied that the message would be forwarded to colleagues who are dealing with implementation.

Regarding GAEC 8, the Commission is aware that it is a demanding GAEC, however, at EU level there is some flexibility with regard to the definition and MS had to define landscape features in their plans. The Commission takes note of the request to allow grazing (for this period, GAEC 8 is about non-productive areas and features). Moreover, GAEC 8 includes the obligation that landscape features cannot be removed.

With regard to the financial allocation on result indicators, the chair explained that the result indicators are not related to finance but they are reflecting outputs and results. One output can be linked to more result indicators. Therefore, the financial allocation for one result indicator is not possible. The financial allocation is planned per intervention. Regarding impact indicators, it was mentioned that these are partly still under development (e.g. I.21).

Concerning amendments of the CSP, the new versions of the plans should be published. Regarding the SEA, MS had to explain how they addressed the recommendations from the SEA in their plans. Regarding carbon farming the chair added that specific actions are already included in the plans, such as GAECs, eco-schemes, agri-environmental-climate schemes and green investments. However, these interventions will not be directly connected to the carbon farming credits, since credits will be calculated on a different basis (baseline will be calculated). There are two different systems: carbon credits will remunerate carbon storage and the CAP is remunerating the practices.

Finally, concerning the process with regard to new legislation/targets it was explained that according to Art. 120 of the CAP Strategic Plan regulation, MS have 6 months to notify to the COM whether the CSP has to be amended to address new targets (e.g. LULUCF) and if so, submit the related amendment.

Point 9. State of play of the implementation of the greening derogations for 2022 as per the 23rd March 2022 decision' and 'State of play and comparison of Member State decisions on derogations from GAEC 7 and 8'

The Commission representative (DG AGRI) presented a provisional state of play of the implementation of the greening derogations for 2022, including an overview on the MS which applied the derogations. He also provided a short overview on the MS decisions on derogations from GAEC 7 and GAEC 8 (slides shown are shared on CIRCABC).

Point 10. Nature Restauration Law

The Commission representative (DG ENV) gave a presentation on the Nature Restauration Law (slides shown are shared on CIRCABC).

The following questions and comments were raised:

NRL goes into the right direction, welcome target for pollinators (SLOWFOOD). We are worried about the implications for farmers. Numbers do not add up, a proper Impact Assessment is missing, the IA is particularly incomplete on social and economic aspects. In many cases, farmers will stop producing, also because there's a lack of funding. The CAP doesn't really help. What happens in case of non-compliance? (COPA). The balance between green action and economic activity is not there. Discount for forerunners. Problems with targets (COGECA). It's a problem that grazing on non-productive areas is not allowed (IFOAM). Changes need to happen now, not only in the long term (WWF). Concerns about natural desasters/forst fires - targets may not be reached (Euromontana). Concerns about the restauration plans: What measures? Who approves the plans? (COPA). CAP is not the solution. 'Sparing and sharing' also for productive areas - farming does need to adapt. Change the farming models! We need more regenerative agriculture (EURAF). Integrated crop production plays an important role: There is the possibility to produce and to protect at the same time (IBMA). Private land conservation plays an important role but is not even mentioned. If the restauration targets become legally binding - Can farmers then still get support? (EFNCP). There are huge financial implications. The dynamic in nature – not only because of climate change raises the questions of what is the (new?) normal? Restoring to what, back to when/what state (ELO)? Land abandonment may increase, maybe good from an environmental perspective, but may not be overall sustainable (CEETTAR).

The Commission representative (DG ENV) replied that the NRL is clearly about 'sharing', the transformation works only if everybody is implied. Therefore, national restoration plans will involve all. It is for the Member States to decide upon the most appropriate schemes for compensation. Public funding, including EU funds, is only one side, private

funds play also a role, e.g. see the platform on biodiversity and business; increasingly, business representatives realise that becoming 'nature positive' makes business sense. Forest fires are being taken into consideration. Yes, integrated pest management helps. The social aspects are important. To note that in some countries (e.g. IE) the targets on rewetting go even beyond the NRL targets.

Point 11. 'Pollinators'

The Commission representative (DG ENV and DG AGRI) delivered a presentation on the pollinators' initiative (slides shown are shared on CIRCABC).

The following questions and comments were raised:

The CAP can be used to fund actions on pollinators but there will be challenges when the SUR and NRL will be adopted, and this has to be taken into consideration (COPA). The question was raised whether diseases/parasites among pollinators were also part of the initiative (FESASS). We welcome this initiative and we would like to see how it will be implemented in practice (SLOWFOOD). Climate change should also be taken into account (BEELIFE). The term "pesticides" should be used instead of 'Plant protection products' (EURAF).

The Commission representative (DG ENV) replied that the pollinator initiative is included in a holistic package along with the SUR, NRL (plans) and together can effectively address the drivers of the pollinator decline and identify the necessary actions to improve the protection and preservation of pollinators. The scope of the pollinator initiative is restricted to wild pollinators and does not cover honeybees which have a growing population.

Point 12. Soil Health Law

The Commission representative (DG ENV) explained that the Soil Health Law (SHL) is linked to the EU soil strategy and the Green Deal. Proposal is planned to be tabled on 7 June and will be accompanied by an Impact Assessment.

The following questions and comments were raised:

Sustainable soil management needs definition of good practices. How does SHL link to efforts to reduce the net land take (IFOAM)? We are puzzled that the presentation on carbon removals did not mention the SHL – we need to avoid 'silo thinking' (COGECA). Biodiversity indicators are important, as are the technical details for the monitoring grid (EEB). We need a list of sustainable soils measures (COPA).

The Commission representative (DG ENV) replied that conditions and context are important. The SHL proposal would establish rather the sustainable soil management principles, not the technical details, which are dependent on local conditions. Regarding the land take, no binding target is to be expected since land-use planning provisions would require Council unanimity. The link to carbon removals will be covered in the IA (as well as those to LULUCF, NRL, FML). The soil biodiversity indicators are important, but not much is readily available. Regarding the monitoring, in principle a dense grid is needed, but Member States will have some flexibility. Regarding a list of sustainable practices more work needs to be done.

Point 13. AOB

• Info point on the newly released study "IPM toolbox for farmers"

DG AGRI explained that the Commission has published on 28 February 2023 a study on "Integrated Pest Management (IPM) Toolbox for farmers" (see link below¹), following a request by the European Parliament in the framework of Pilot Projects. The study assessed drivers and barriers to take up good IPM practices. The study also developed a database, now managed by the Joint Research Centre of Sevilla. The database is made public² and includes two types of information: (1) best IPM practices and (2) the "crop-specific guidelines" developed by Member States to implement the EU pesticides legislation. The expected users of this database are farmers, advisors, national administrations and all interested stakeholders.

To a question by COGECA on the legal requirement for independent advice, DG AGRI replied that this will be dealt with under the future Regulation on the sustainable use of pesticides (SUR).

• Timeline Green Claim Initiative

The Commission representative (DG AGRI) explained the rationale behind the Green Claims proposal: tackling the wide proliferation of environmental labels on the EU market, and addressing the issue of greenwashing to protect both consumers and companies making the effort to green their products and activities. The Initiative has close links to the Circular Economy Action Plan and complements the Unfair Commercial Practices Directive and the proposal on empowering consumers for the Green transition. The scope covers the substantiation and communication of voluntary environmental claims. The proposal has been adopted on 22 September 2023 as planned and is now with the co-legislators.

4. Next meeting

The next meeting is scheduled for **6 July 2023 am** and will be held online. For the meeting in November 2023 a hybrid format is envisaged.

5. List of participants

See Annex.

Michael PIELKE

^{(&}lt;sup>1</sup>) <u>https://agriculture.ec.europa.eu/news/using-less-chemical-pesticides-european-commission-publishes-toolbox-good-practices-2023-02-28_en</u>

^{(&}lt;sup>2</sup>) <u>https://datam.jrc.ec.europa.eu/datam/mashup/IPM/index.html</u>

Annex - List of participants Meeting of the Civil Dialog Group Environment & Climate Change 17 March 2023

ORGANISATION
AEEU - AGROECOLOGY EUROPE
ANIMALHEALTHEUROPE
AREFLH - Assemblée des Régions Européennes Fruitières Légumières et Horticoles
BEE LIFE - EUROPEAN BEEKEEPING ORGANISATION
BirdLife Europe
CEETTAR - Confédération Européenne des Entrepreneurs de Travaux Techniques Agricoles
CEJA - CONSEIL EUROPÉEN DES JEUNES AGRICULTEURS / EUROPEAN COUNCIL OF YOUNG FARMERS
CELCAA - EUROPEAN LIAISON COMMITTEE FOR THE AGRICULTURAL AND AGRI-FOOD TRADE
CEPF - CONFEDERATION OF EUROPEAN FOREST OWNERS
CEPM - EUROPEAN CONFEDERATION OF MAIZE PRODUCERS
COGECA - EUROPEAN AGRI-COOPERATIVES / GENERAL CONFEDERATION OF AGRICULTURAL CO-OPERATIVES OF THE EUROPEAN UNION
COPA - "European farmers / Committee of Professional Agricultural Organisations of the European Union
EAPF - EUROPEAN ALLIANCE FOR PLANT-BASED FOODS
EEB - EUROPEAN ENVIRONMENTAL BUREAU
EFA - EUROGROUP FOR ANIMALS
EFNCP - EUROPEAN FORUM ON NATURE CONSERVATION AND PASTORALISM
ELO - EUROPEAN LANDOWNER'S ORGANISATION
EMB - EUROPEAN MILK BOARD
ERCA - EUROPEAN RURAL COMMUNITY ALLIANCE
ERPA - EUROPEAN RURAL POULTRY ASSOCIATION

EUROMONTANA

EURAF - EUROPEAN AGROFORESTRY FEDERATION

EUSTAFOR

FESASS – Féderation Européenne pour la Santé Animale et la Sécurité

FOEE - FRIENDS OF THE EARTH

FOODDRINKEUROPE

FRESHFEL EUROPE

IBMA - INTERNATIONAL BIOCONTROL MANUFACTURERS ASSOCIATION

IFOAM - INTERNATIONAL FEDERATION OF ORGANIC AGRICULTURE MOVEMENTS EUROPEAN REGIONAL GROUP

PFP - PRIMARY FOOD PROCESSORS

SLOW FOOD

USSE - UNION OF FOREST OWNERS OF SOUTHERN EUROPE

WWF - WORLD WIDE FUND FOR NATURE