



# An overview of **proposed 28** **CAP Strategic Plans (2023-2027)** Key elements with focus on direct payments

A glimpse in adopted CSPs

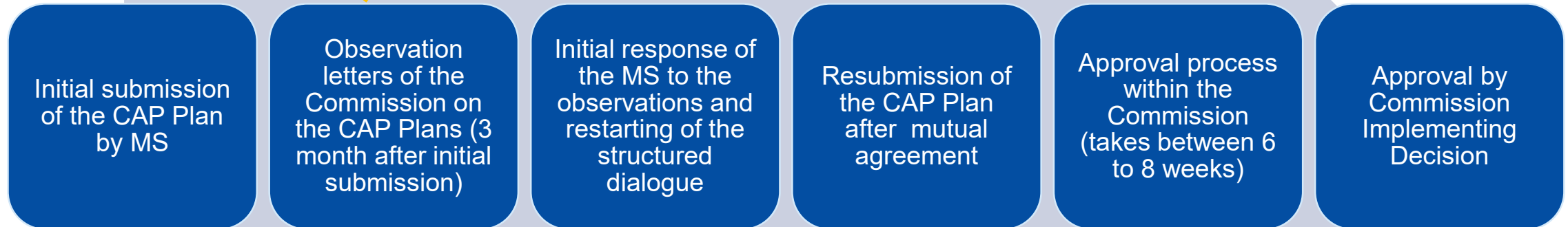
*CDG DP and Greening meeting*

*7.10.2022, Brussels, Marina Brakalova, DG AGRI*

# CAP Strategic Plan approval process

More information can be found here:  
[https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans\\_en](https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en)

By 25 May 2022 every MS received an observation letter

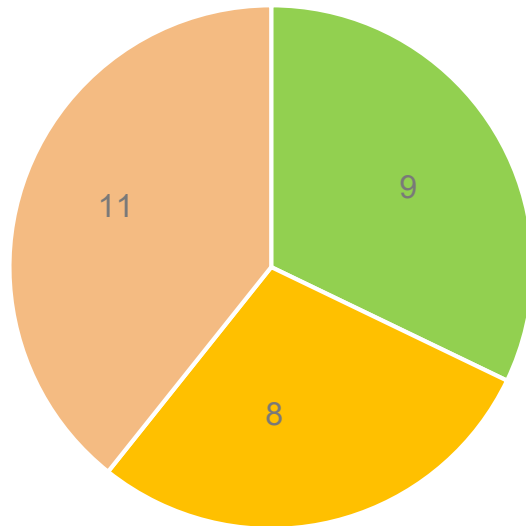


By 18 March all MS submitted their CAP Plans

The approval of each CAP Plan is also accompanied by an 'At a glance' document giving a flavour of the Plan. Both are published on the Europa website, follow the above link

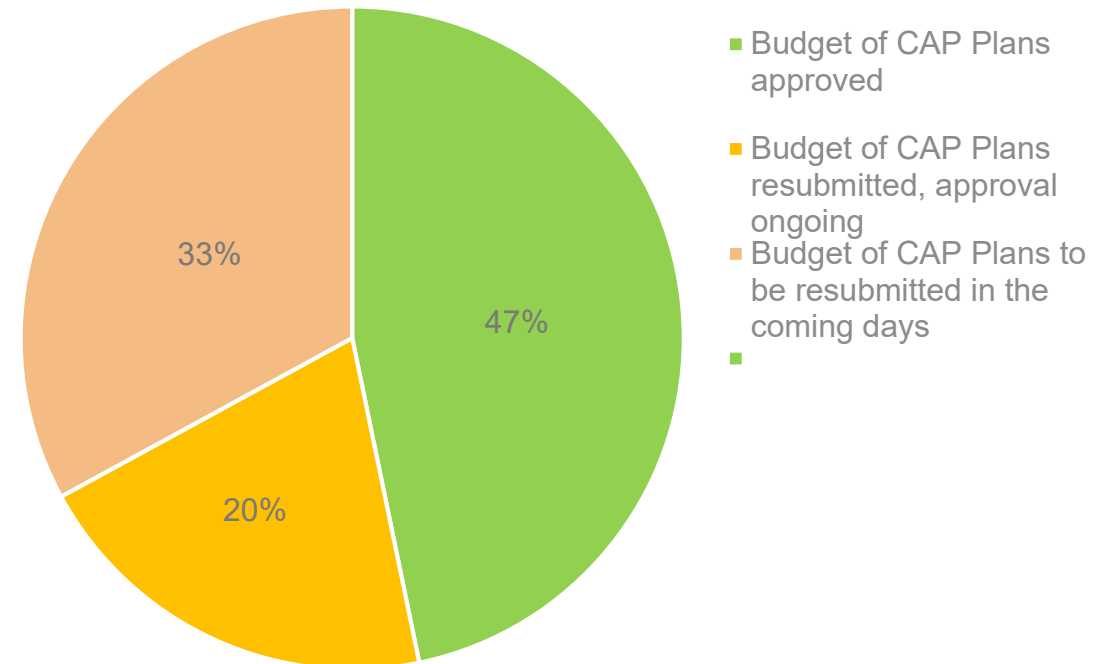
# CAP Strategic Plan approval process - State of play

State of Play CAP Strategic Plans



- CAP Plans approved (AT, DK, ES, FI, FR, IE, LU PL and PT)
- CAP Plans resubmitted, approval ongoing (HR, HU, SE, SI, DE, NL, EE, LV)
- CAP Plans to be resubmitted in the coming days

CAP Plan approval in terms of budget

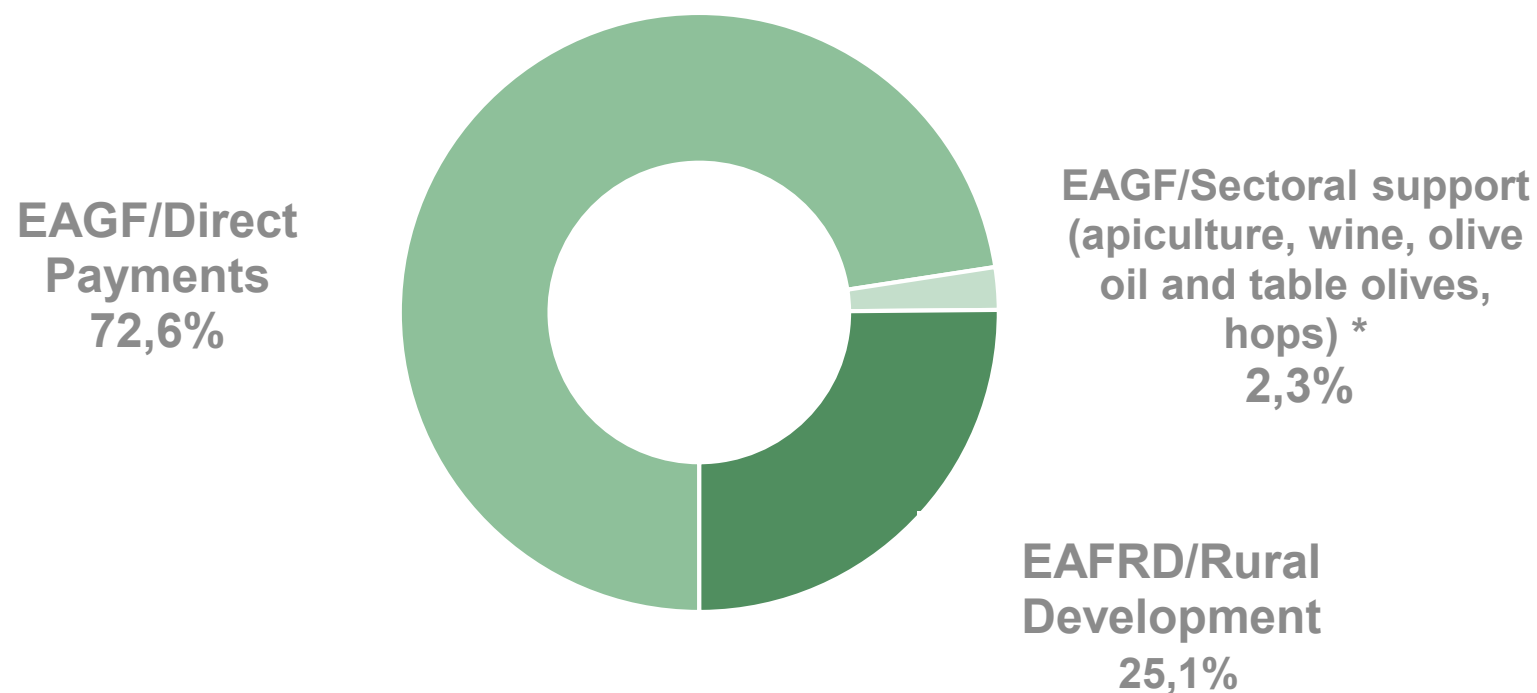


# Key elements of the draft 28 CSPs (elements (might) change in the approved CSPs)



## Financial allocations

# Approximate cumulative allocation of the CAP EU funds in the 28 draft **CAP Strategic Plans** (whole period)



\* EU support for fruit & vegetables and “other” sectors not included

# An approximate cumulative distribution of direct payments (EAGF) in **draft 28 CAP Strategic Plans** (EU level)

BISS (Basic income support for sustainability, Article 21)  
**52%**

CIS (Coupled Income Support, Article 32)  
**12%**



Eco-schemes (Schemes for the climate, the environment and animal welfare, Article 31)  
**24%**

CRISS (Complementary redistributive income support for sustainability, Article 29)  
**10%**

CIS Young Farmers (Complementary income support for young farmers, Article 30)  
**2%**

# Key orientation/contribution of key DP tools for income support from draft CAP plans (depending on design)

Key DP instruments	CAP Specific Objectives	Key Result indicators (Annex I, CAP SP regulation)
BASIC <b>INCOME SUPPORT</b> FOR SUSTAINABILITY (BISS)	SO1: Fostering resilience and viable farm income	Linking income support to standards and <b>good practices</b> ; <b>Redistribution</b> to smaller farms; <b>Risk management</b> ; Enhancing support for farms in <b>areas with specific needs</b>
COMPLEMENTARY <b>REDISTRIBUTIVE</b> INCOME SUPPORT (CRISS)	SO1 +	Linking income support to standards and <b>good practices</b> ; <b>Redistribution</b> to smaller farms
<b>COUPLED INCOME</b> SUPPORT (CIS)	SO1 +	As above
ECO – SCHEME (ES)	Environmental objectives and animal welfare	<b>Environmental, climate and animal welfare</b> related indicators
SMALL FARMERS (SF)	SO1 and balanced redistribution	<b>Redistribution</b>
COMPLEMENTARY INCOME SUPPORT FOR YOUNG FARMERS	SO1 and generational renewal	<b>Income support and generational renewal</b>

# Definitions (based on draft CSPs)





# Land eligibility rules in proposed CAP SP (1)

- Some flexibilities more exploited than others
- Agro Forestry Systems on agricultural area:
  - Often limits of 100 trees (or even less) per ha remain;
  - Some MS set no limit to the number of trees or go above 100 trees
  - Some requirements interplay with ES and AECM
- Permanent Grassland definition:
  - Majority of MS use the same definition of grass as under the current rules;
  - Few MS further extend the definition by including areas covered by trees and shrubs which produce animal feed when the grass is not predominant or is absent;

# Land eligibility rules in Member States' CSP (2)

## (June 2022)

- Inclusion of other Landscape Features (not protected under GAEC) into the eligible area:
  - Majority of MS either use principally the same limits as in the current regulation or do not include these features at all;
  - Few MS include LF of bigger size
  - Few MS increase the 'tolerance' threshold (for full eligibility) above 10% (pro-rata)
- Derogations from 'standard' eligibility rules:
  - 5 MS proposed to maintain eligibility of rewetted agri areas used for the cultivation of non-Annex I products via paludiculture in accordance with a national scheme (new possibility in the EU legislation).

# Key instruments (based on draft CSPs)



# Key instruments: BASIC INCOME SUPPORT FOR SUSTAINABILITY (based on draft CSPs)

- 6 MS proposed to territorialize the BISS
- At EU level, the total BISS allocation amounts to slightly more than 50% of the direct payments envelope, with allocations ranging from 31% to 75%.

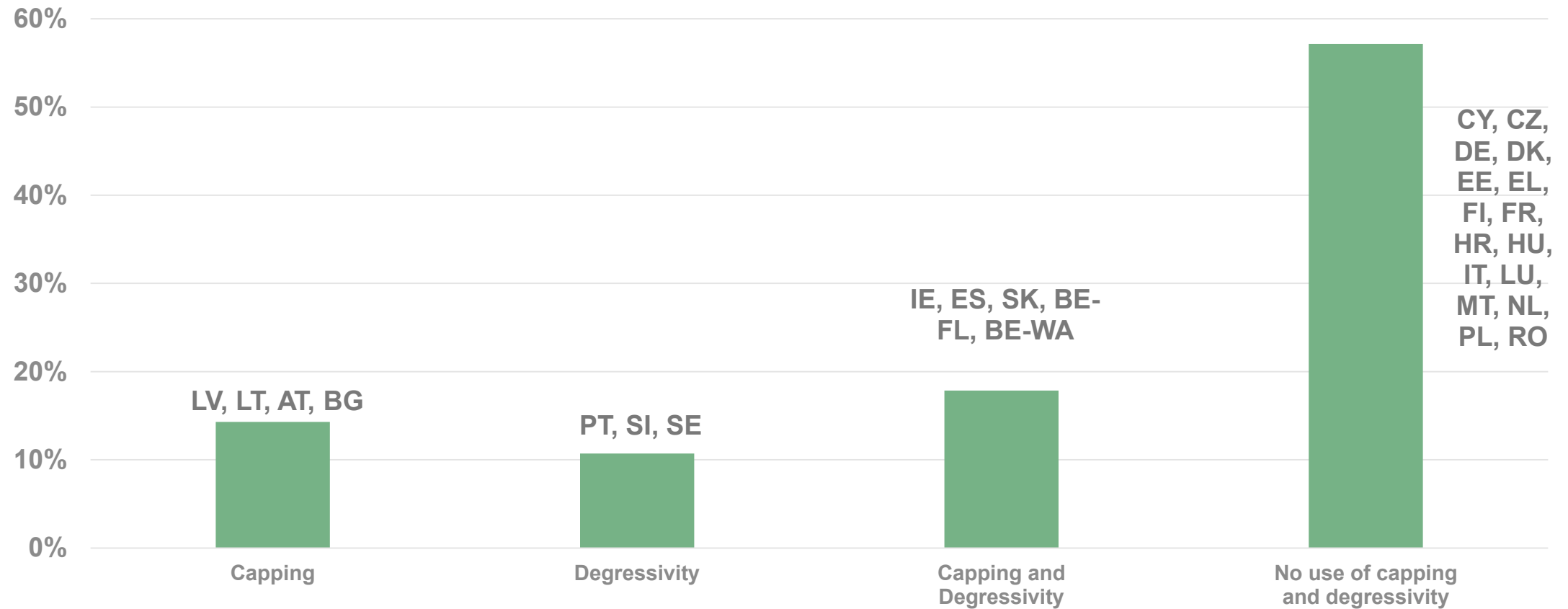
## Payment for small farmers

- 5 MS plan to implement the simplified payment for small farms through a lump sum or a payment per hectare
- The indicative allocations range from 0.3% to 9% of the direct payments envelope.

# Key instruments: COMPLEMENTARY REDISTRIBUTIVE INCOME SUPPORT (based on draft CSPs)

- More than **10% of total direct payments** was planned globally - to be implemented in **all, except 3 MS**;
- **16** CSPs set the indicator target on **redistribution to smaller and medium farmers** above 100 and **12** Member States show an increasing trend from the past ( with missing data in the first submission);
- **21** CSPs aim to use the required 10% or more of the direct payment envelope for CRISS, out of which **9** CSPs plan more than 10% ( with the highest share of 23%;
- **7** MS request a derogation from the 10% ring-fencing requirement;
- **2** foresee **differentiated unit amounts by groups of territories**;

# Key instruments: Use of capping and degressivity: Indicative distribution among the 28 draft plans in terms of choice

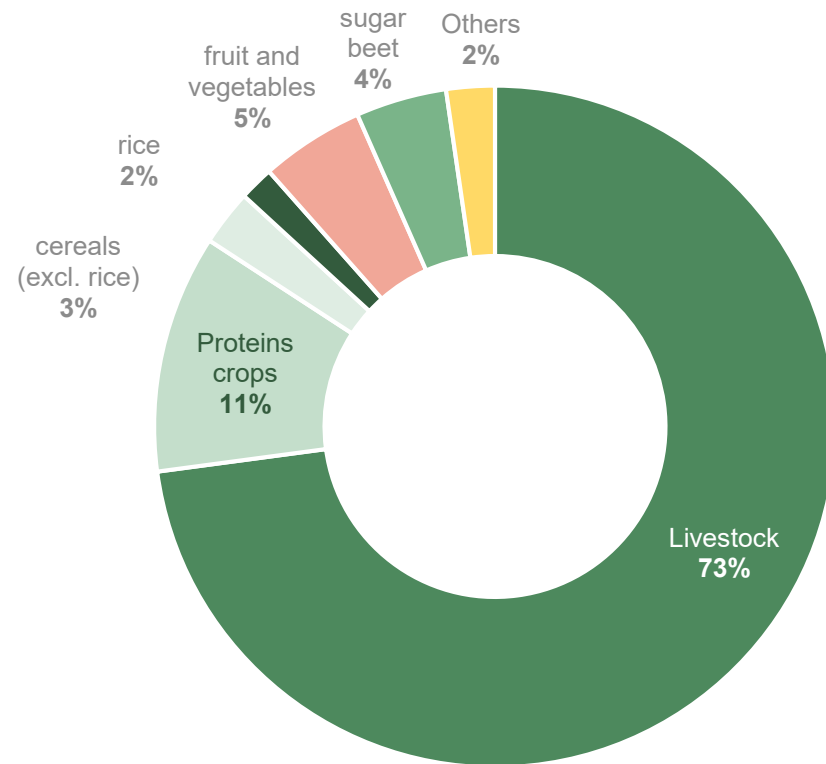


# Key instruments: **COUPLED INCOME SUPPORT** (based on draft CSPs)

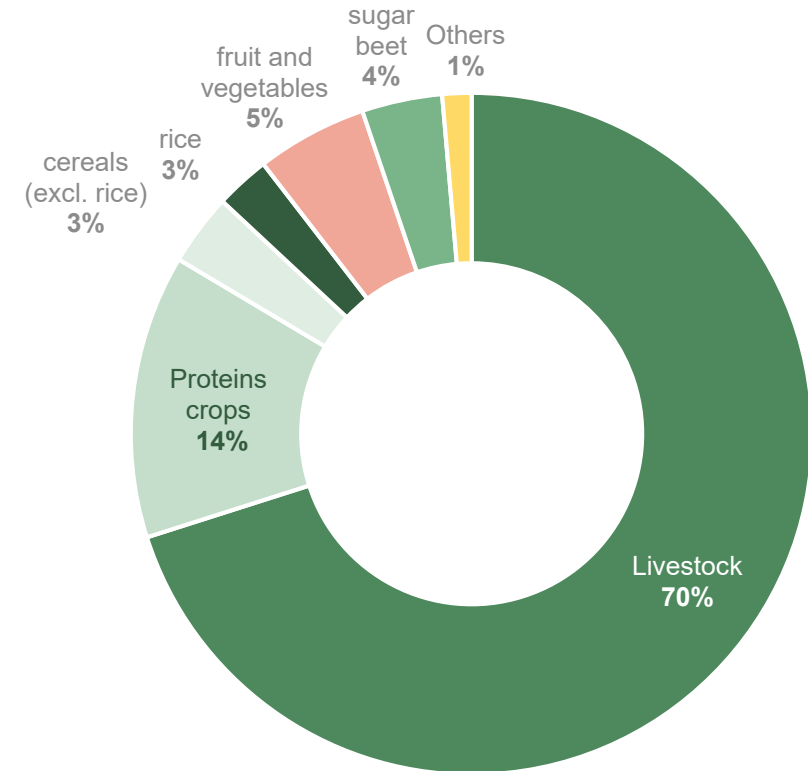
- **All** Member States, except one (NL), plan to implement CIS;
  - **20** CSPs - >10% of the direct payments and close to their ceiling,
  - **3** CSP – around 10%
  - **4** MS below 5% of their direct payments envelopes;
- Support is targeted mainly on livestock (beef & veal, sheepmeat and goatmeat, milk and milk products);
- **19** CSPs include CIS for legumes/protein crops. 11 increasing contribution for CIS and 3 introduce this for the first time. 2 million additional hectares supported compared to 2022 are expected, representing a 50% increase of the planned support area

# Key instruments: CIS - Approximate cumulative distribution proposed by Member States in draft CAP Strategic Plans for CIS (of direct payments)

Cumulate share of financial allocation for voluntary coupled support per sector (2014-2022)

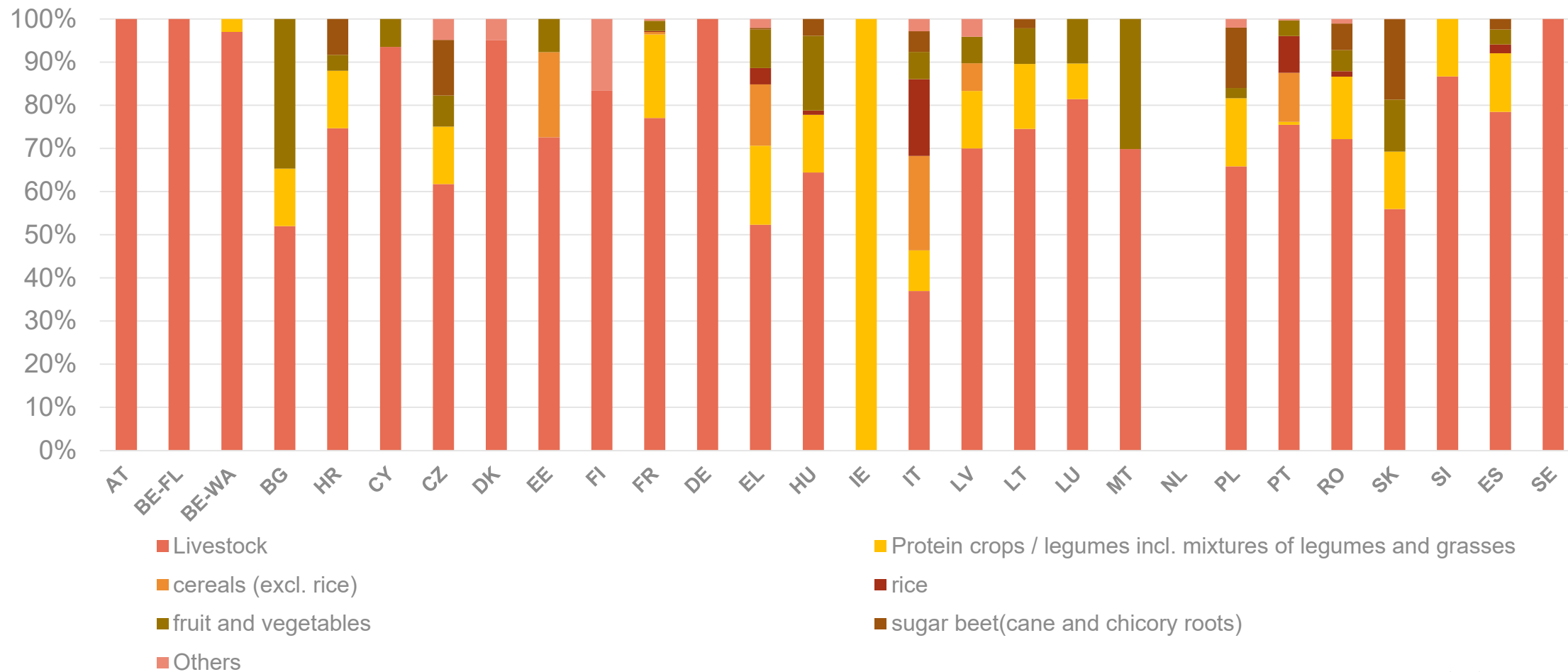


Approximative cumulate share of financial allocation for CIS per sector at EU level (2023-2027)





# Distribution of CIS by sector as proposed in Member States' draft Plans



# Thematic coverage of proposed eco-schemes in draft 28 CSPs

Issue <sup>1</sup>	Member States addressing the issue through at least one eco-scheme (including multi-dimensional ones)	
“Biodiversity” (protection or enhancement), landscape features, non-productive areas	25	All Member States except AT, RO and SE
Carbon sequestration / carbon farming	8	CY, DE, DK, ES, HR, LT, NL, PL
Integrated pest management / pesticide management	11	BE-FL, BE-WA, BG, CY, DE, EE, HU, LU, MT, NL, PL, PT
Nutrient management	12	BG, CY, DK, FI, HR, HU, IE, LU, LV, PL, SI, SK
Precision farming	6	BE-FL, CZ, EL, IE, LV, SE
Permanent pastures –extensification and maintenance	12	BE-FL, BE-WA, BG, DE, ES, HR, IE, LT, LV, NL, PL, SI, SK
Permanent pastures – maintenance only	12	BE-FL, CZ, DE, DK, EL, FI, FR, HU, NL, PT, SI, SK
Soil conservation practices	26	AT, BE-FL, BE-WA, BG, CY, CZ, DE, DK, EE, EL, ES, FI, FR, HR, HU, IE, IT, LT, LU, LV, MT, NL, PL, RO, SE, SI, SK
Organic farming	12	BE-FL, BG, DK, EE, EL, FR, LT, LV, NL, PL, PT, SE
Animal welfare / anti-microbial resistance	8	AT, CY, IT, LT, PL, PT, RO, SK
Other	6	BE-FL, CY, DE, HU, LT, SK
<sup>1</sup> Note that some issues overlap and that eco-schemes contribute to more than one objective.		

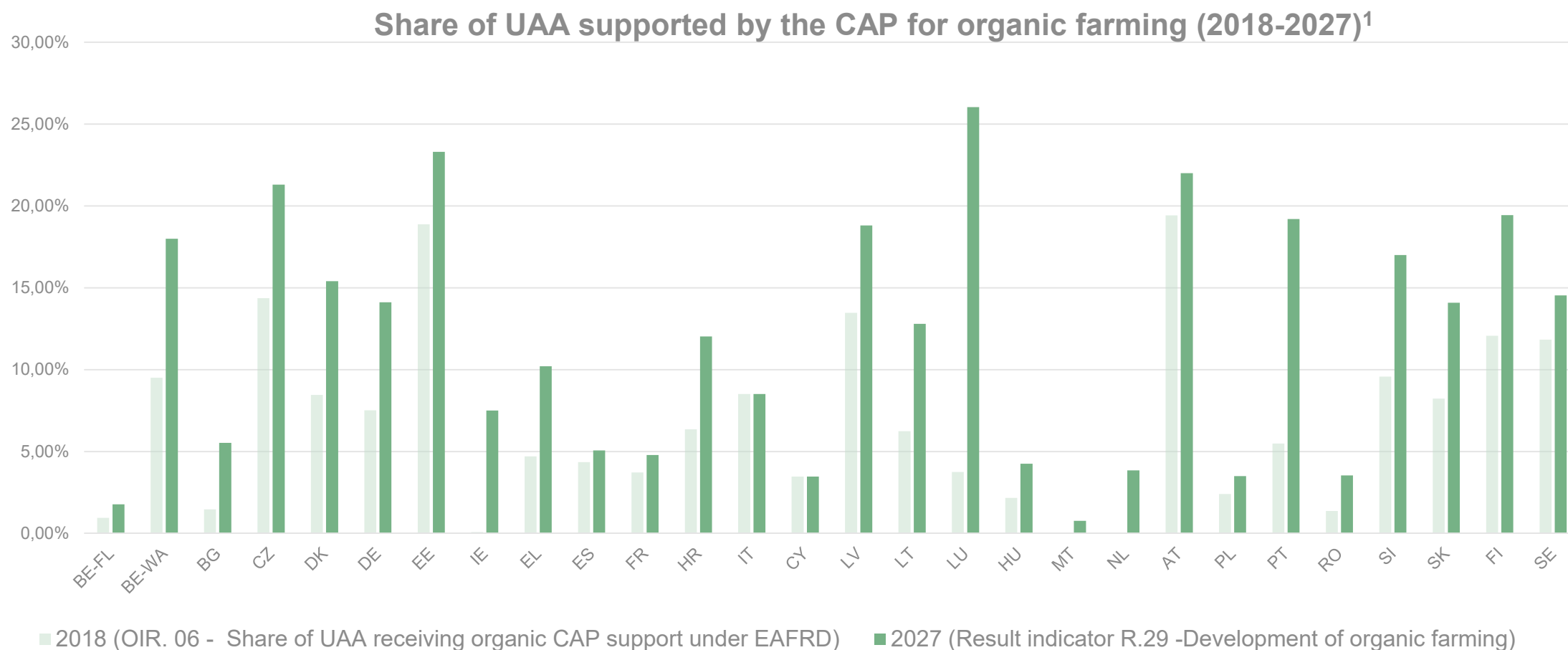
# Proposed alternative use of fund/instruments for organic farming support in draft plans

Type of support	ES/EAGF	#CSPs	AECM/EAFRD	#CSPs
Conversion	X	7	X	21
Maintenance	X	10	X	19

- 17 CSPs proposed to use only EAFRD/AECM for both conversion and maintenance
- 4 MS proposed to use only EAGF/ES for both conversion and maintenance
- 3 MS proposed a combination of ES for maintenance and AECM for conversion

## Organic farming

Comparison between supported organic area with CAP funding in 2018 and the targeted area to be supported in the next programming period



<sup>1</sup> CY and IT did not provide any data for 2027 (R.29). For the purpose of this overview, the level of support has been considered unchanged.

# Selected targets related to environment and climate from proposed Plans (where eco-schemes contribute)

Result indicator	Range of target value in draft CAP Strategic Plans <sup>1</sup>
R.14 – Carbon storage in soils and biomass	from 2% to 86% in 22 CSPs with the half of them below 31% and 5 above 50% - <b>average – 21%</b>
R.19 – Improving and protecting soils	from 7% to 86% in 24 CSPs with half of them below 32% and 9 above 50%- <b>average – 39%</b>
R.20 – Improving air quality	from 0.8% to 36% in 15 CSPs, with 9 plans below 10% - <b>average 7%</b>
R.21 – Protecting water quality	from 0.1% to 92% in 18 CSPs, with 10 plans below 10% and 3 above 75% - <b>average – 14%</b>
R.24 – Sustainable and reduced use of pesticides	from 0.1% to 92% in 18 CSPs, with 10 plans below 10% and 3 above 75% - <b>average 18%</b>
R.31 – Preserving habitats and species	from 1.4% to 99.5% in 23 CSPs; with 11 of them below 21% and 3 above 75% - <b>average 31%</b>
<sup>1</sup> Values against each indicator express the agricultural area intended to be subject to relevant area-based support, as a % of each Member State's total utilised agricultural area. <b>NOTE: some CSPs did not contain value. EU average provides data based on missing information in some draft plans</b>	

# Some targets relevant to direct payments/income support from proposed Plans (caveat)

Result indicator	Range of target value in draft CAP Strategic Plans <sup>1</sup>
R.04 – Linking income support to standards and good practices ( <b>Share of utilized agricultural area (UAA) covered by income support and subject to conditionality</b> )	19 CSPs with more <b>than 95 %</b>
R.6– Redistribution to smaller farms ( <b>Percentage of additional direct payments per hectare for eligible farms below average farm size - compared to average</b> )	<b>EU average - 105%</b> , with 7 CSPs above 110%
R.8 - Targeting farms in specific sectors ( <b>Share of farms benefitting from coupled income support for improving competitiveness, sustainability or quality</b> )	<b>EU average – 15 %</b> , with 8 CSPs above 30%
<sup>1</sup> Values against each indicator express the agricultural area intended to be subject to relevant area-based support, as a % of each Member State's total utilised agricultural area. <b>NOTE: some CSPs did not contain value. EU average provides data based on missing information in some draft plans!!!</b>	

# Observation letters to the draft CSPs: what needed to improve?



# Observation letters to the draft CSPs: what needed to improve?

## **Economic ambition**

- Clarify and better justify certain decisions regarding redistribution;
- Clarify and better justify certain decisions regarding coupled income support and sectoral intervention against the needs and in consistency with the Water Framework Directive (2000/60/EC);
- Clarify the features of eligible hectare and demonstrate further targeting of support beyond the minimum requirements to receive direct payments through the 'active farmer' provision and requirements
- Consider interventions that will help reduce dependence on fossil fuels and other externally sourced inputs;
- Consider facilitated access to risk management schemes;
- Address strengthening farmers' position in the food chain for different sectors;



# Observation letters to the draft CSPs: what needed to improve? **Green ambition**

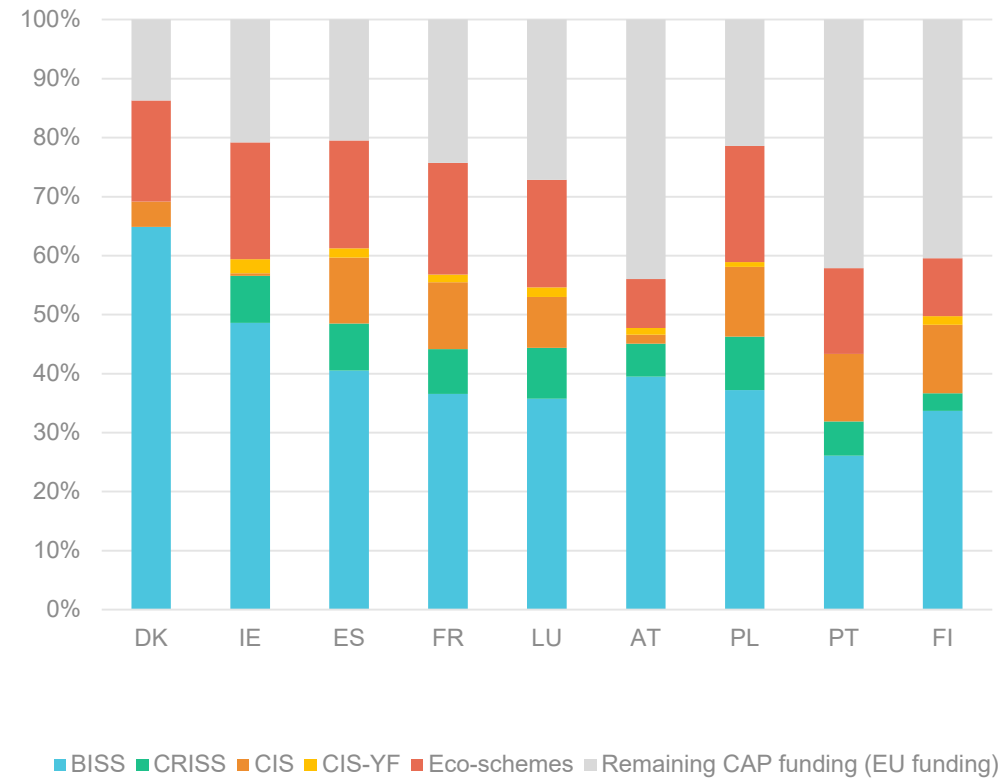
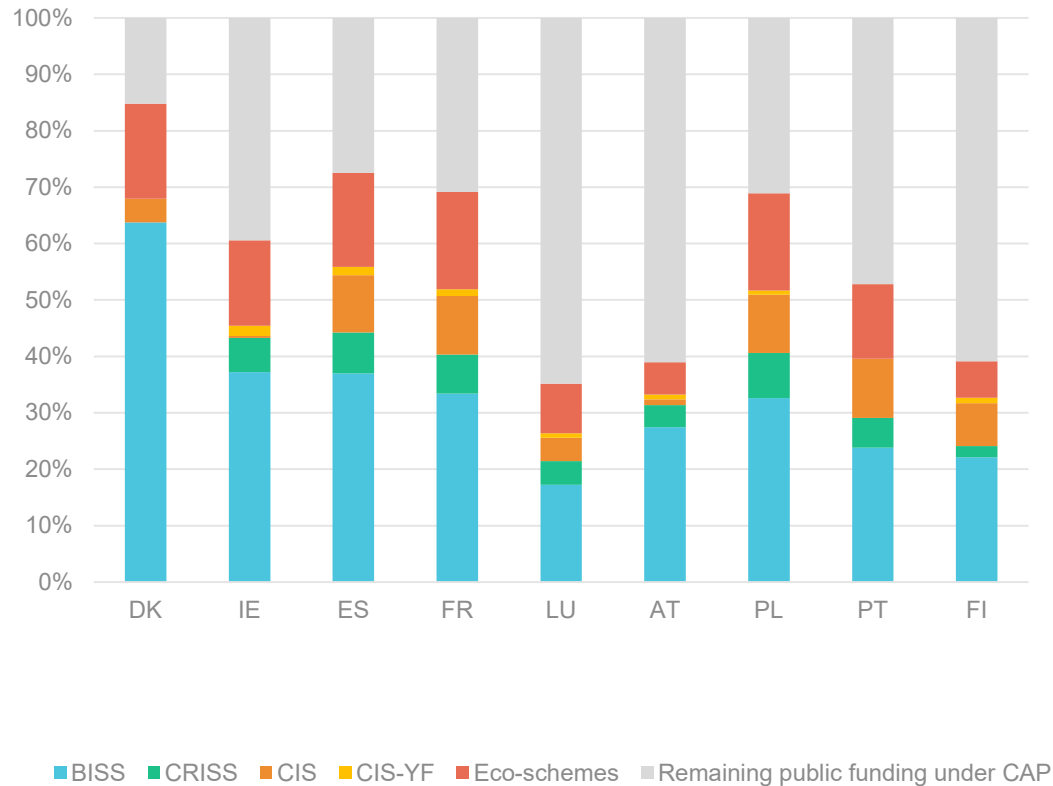
- More work is needed: incomplete sections or weak justification of contribution to EU environmental and climate legislation
- Conditionality layer needs to be reinforced in most cases
- Reinforcing target levels and reliability

# A glimpse into the 9 adopted plans – selected elements

(AT, DK, ES, FI, FR, IE, LU, PL, PT)

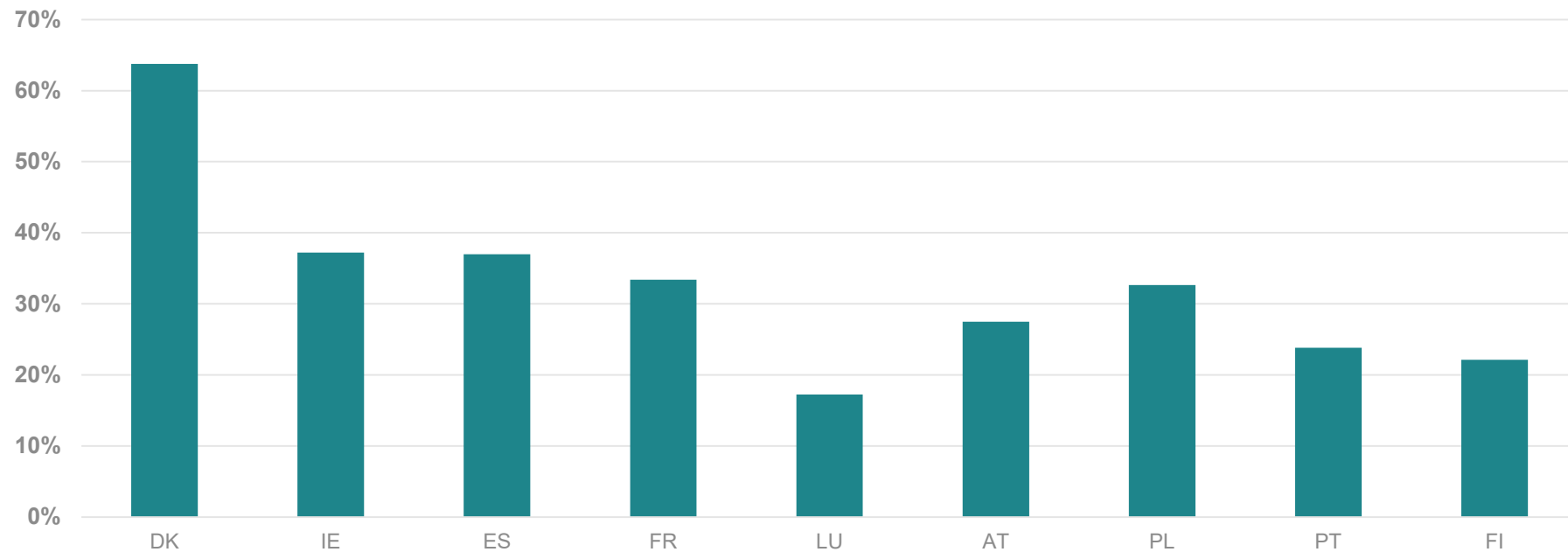


# Share of Total DP allocation (split in instruments) from 1) total CAP public funding and 2) total CAP EU funding in adopted 9 CSPs



# BISS - % from the CAP total public funding in 9 adopted CSPs

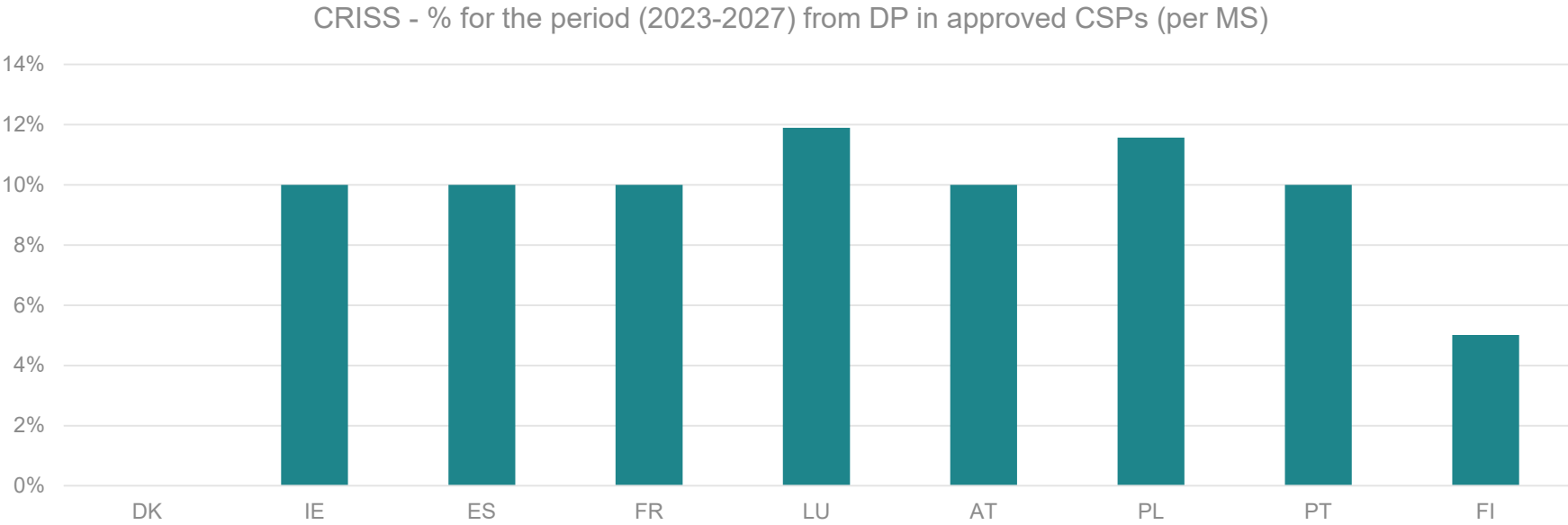
BISS - % for the period from the CAP total public funding (2023-2027) in approved CSPs (per MS)



R.4 %	97.33	97.41	86.44	85.79	98.6	97.25	97.66	96.05	100.54
-------	-------	-------	-------	-------	------	-------	-------	-------	--------

R4: Share of UAA covered by income support and subject to conditionality

# CRISS - % from DP for the 9 adopted CSPs

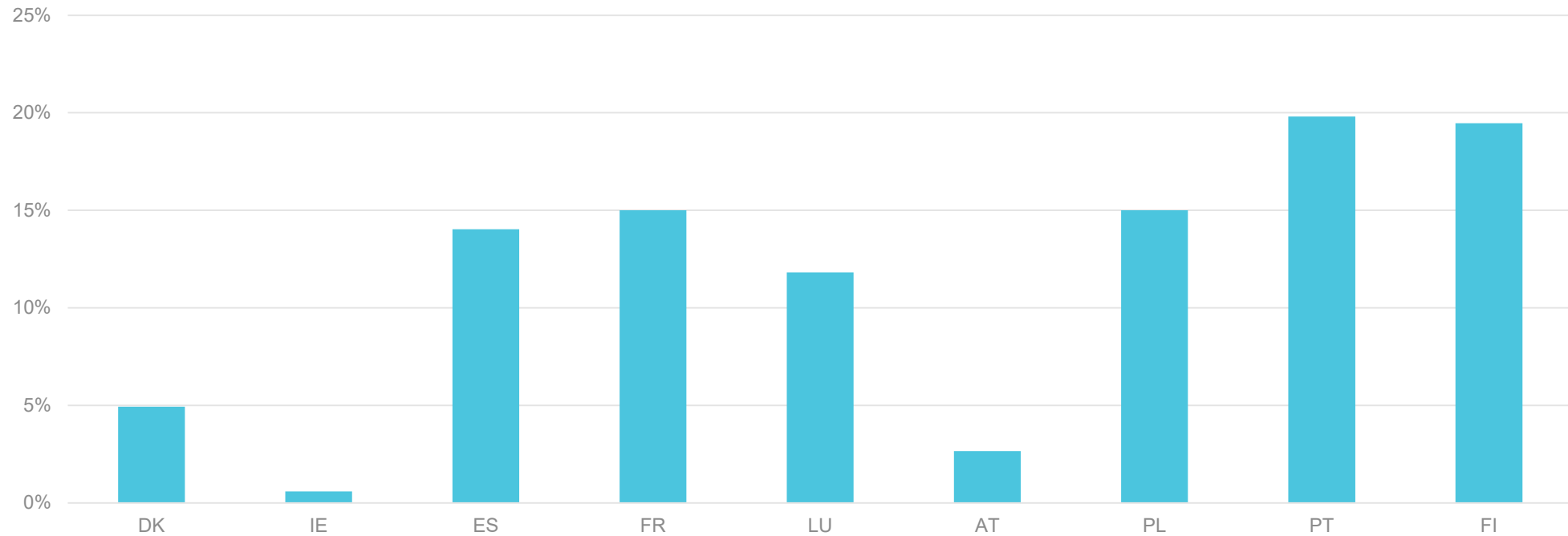


R.6%	107	105.4	150	106.58	101.48	106.96	102.43	162	105.88
------	-----	-------	-----	--------	--------	--------	--------	-----	--------

R6: % of additional direct payments per ha for eligible farms below average farm size

# Coupled income support - % from DP for the 9 adopted CSPs

Coupled income support (CIS) - % of Direct Payments dedicated to CIS for the period (2023-2027) in approved CSPs (per MS)



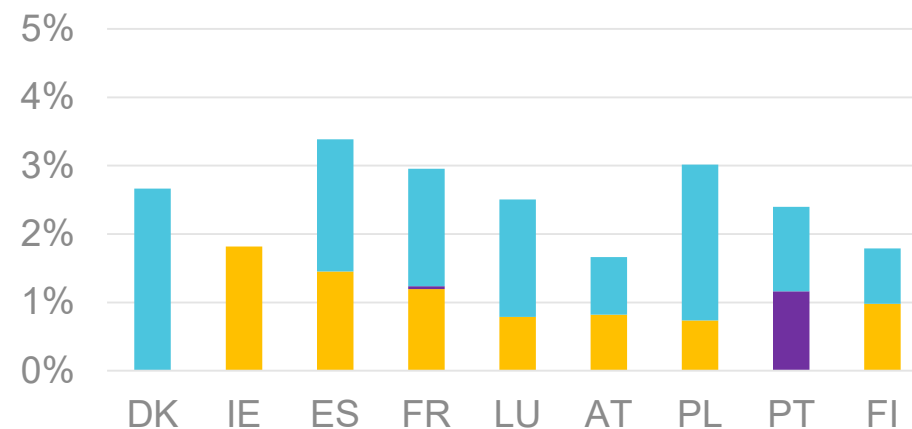
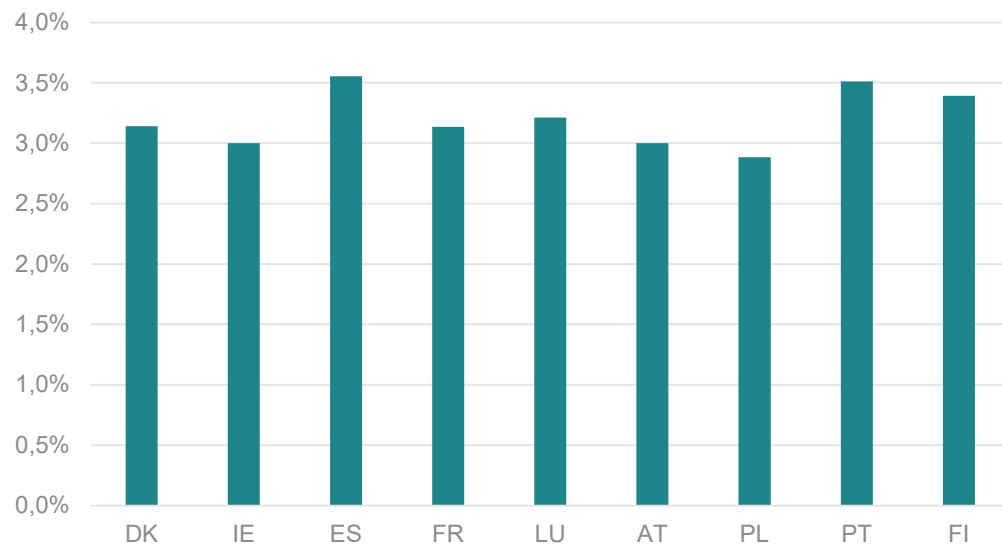
R.8 %	21.71	0.87	33.76	51.99	44.71	19.26	24.92	13.9	33.99
-------	-------	------	-------	-------	-------	-------	-------	------	-------

R8: Share of farms benefitting from coupled income support

# Support to young farmers (9 adopted CSPs)

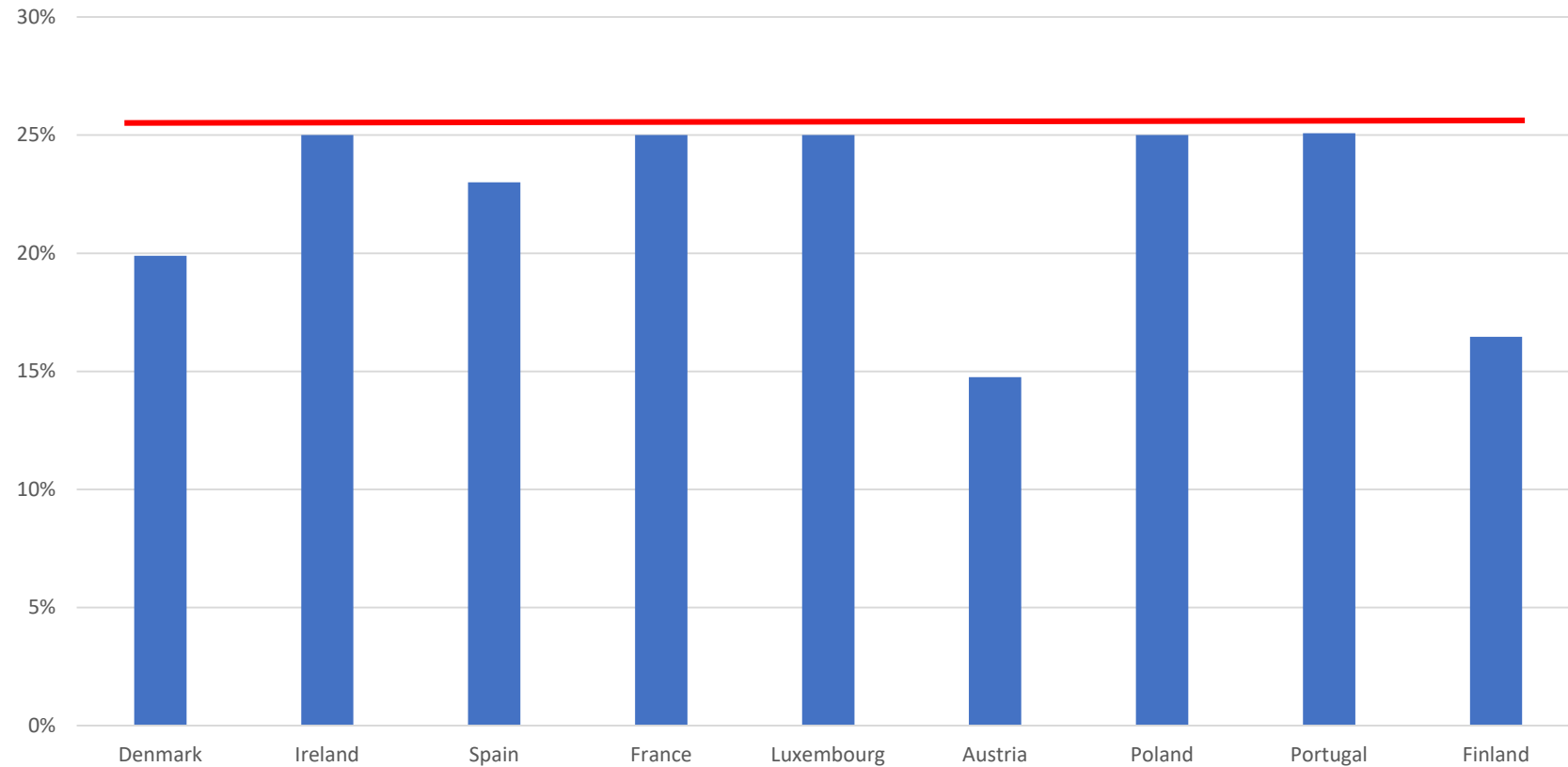
% of allocation based on total CAP EU funding

Support to generational renewal (CIS-YF, investments and installation as a share of EAGF



- Setting up of young farmers and new farmers and rural business start-up (Art 75) - total public expenditure
- Investments, including investments in irrigation - 50% (Art 73-74) - total public expenditure
- CIS-YF

# % Eco-scheme in DP (9 adopted CSPs)





# Thank you