

COMMON AGRICULTURAL POLICY

post-2020

The new green architecture

Mike Mackenzie, DG AGRI C1
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#FutureofCAP





IN A NUTSHELL: THE POST-2020 CAP AND THE ENVIRONMENT/CLIMATE

- **CAP objectives:** environment and climate strongly present
- **"Whole CAP" approach:** conditionality details + environment-relevant Pillar I and Pillar II interventions all planned together in CAP plans – approved by Commission
- ***Links to non-CAP legislation on environment and climate:*** CAP plans to take account of analysis, objectives and targets from list of other legislation
- ***"No backsliding":*** legal obligation on MS to raise ambition on environment and climate compared to current period
- The **new conditionality** will combine and improve aspects of cross-compliance and "greening"
- **Better toolbox:** including Pillar I "eco-schemes" – new instrument
- **Ring-fencing:** MS to spend at least 30% of EAFRD budget on *interventions directly targeted at environment and climate change* (ANC payments no longer included)





CAP GENERAL OBJECTIVES

1. To foster a smart, resilient and diversified agricultural sector ensuring food security
- 2. To bolster environmental care and climate action and to contribute to the environment- and climate-related objectives of the Union**
3. To strengthen the socio-economic fabric of rural areas



CAP SPECIFIC OBJECTIVES ON THE ENVIRONMENT & CLIMATE

1. Contribute to **climate change** mitigation and adaptation, as well as sustainable energy
2. Foster sustainable development and efficient management of **natural resources** such as water, soil and air
3. Contribute to the protection of **biodiversity**, enhance **ecosystem** services and preserve **habitats** and **landscapes**



"WHOLE CAP" APPROACH

- **1 CAP strategic plan** per MS covering (inter alia):
 - Proposed implementation of conditionality
 - Direct payments
 - Support for rural development
- **All elements** must work together to achieve CAP objectives
- **Regional elements** possible in plans
- **Competent authorities for environment & climate** to be "effectively involved" (Art. 94)
- CAP plans **approved by Commission**



LINKS TO NON-CAP LEGISLATION ON THE ENVIRONMENT AND CLIMATE

- **List** of legislation concerned in Annex XI of CAP Plan Regulation
- **12 items** listed – covering biodiversity, water, air, climate change, energy, pesticides
- CAP plans must take account of these in:
 - **SWOT analysis** (see Art. 103)
 - **assessment of needs** (Art. 96)
 - **intervention strategy** (Art. 97) – showing how CAP plan will help to achieve targets from the legislation in question



"NO BACKSLIDING" ON ENVIRONMENTAL AMBITION

- Art. 92: MS to show **greater ambition** (in CAP plans) with regard to environment & climate in comparison with current period
- No "mechanical" comparison expected, but explanation should refer to elements "such as":
 - SWOT analysis
 - assessment of needs
 - intervention strategy
 - description of elements common to several interventions (including conditionality)
 - description of planned interventions in terms of direct payments, sectoral programmes and support for rural development
 - [description of governance and co-ordination approaches]



CONDITIONALITY: OVERVIEW

Environment and climate

- Birds and Habitats Directives
- Water Framework Directive
- Nitrates Directive

- GAEC Standards on:
- climate change
 - water
 - soil
 - biodiversity and landscapes

Public, animal and plant health

- Animal Identification & Registration
- Pesticides authorisation Regulation
- Directive on the sustainable use of pesticides
- Hormones ban Directive
- General Food Law
- Notification of diseases

Animal welfare

- Directives for the protection of:
- Calves
 - Pigs
 - Animals kept for farming purposes

Farm advisory services (embedded in AKIS)

- Conditionality
EU legislation on biodiversity, water, air and use of pesticides
Antimicrobial resistance
Risk management
Innovation support

- MS' planned approaches to be approved by Commission



CONDITIONALITY: THREE SOURCES OF HIGHER ENVIRONMENTAL AMBITION

- **New elements:**
 - GAEC 2 – protection of wetland and peatland
 - SMR 1 – Water Framework Directive
 - GAEC 5 – use of Farm Sustainability Tool for Nutrients
 - SMR 13 – Directive on the Sustainable Use of Pesticides
- **Strengthened elements, e.g.**
 - Crop diversification → **crop rotation**
 - Land specifically devoted to **biodiversity-friendly practices** (currently referred to as "ecological focus area") must **not be used for production**
 - Ban on converting/ploughing **permanent grassland in Natura 2000 areas** becomes total (not only areas designated by MS as environmentally sensitive)
- **Intended implementation approach is part of CAP plan**



PILLAR I "ECO-SCHEMES" (ART. 28)

- **New way** of using Pillar I funding for dedicated schemes for the environment & climate
- **MS must include them** in CAP plans; but voluntary for farmers
- MS have **flexibility over content** – but normal rules apply about double funding etc.
- In **WTO terms**, payments can be considered as:
 - environmental top-ups to decoupled direct payments;
 - [other] environmental payments – premia based on costs incurred, income foregone
- **Annual** rather than multi-annual



PILLAR II

- **Full range of relevant Pillar II support retained:**
 - Payments for **management commitments** (including agri-environment-climate commitments)
 - Payments to compensate for **constraints** (Water Framework Directive, Natura Directives – also natural constraints*) – **N.B. WFD payments not to cover obligations under the Nitrates Directive!!!**
 - Support for investments, knowledge transfer, innovation, co-operation
- Current measures gathered into **fewer "intervention types"**
- **"Negative list" for investment support** (unsustainable irrigation & forestry)
 - Fewer detailed provisions in EU rules but principles retained



RING-FENCING OF SPENDING

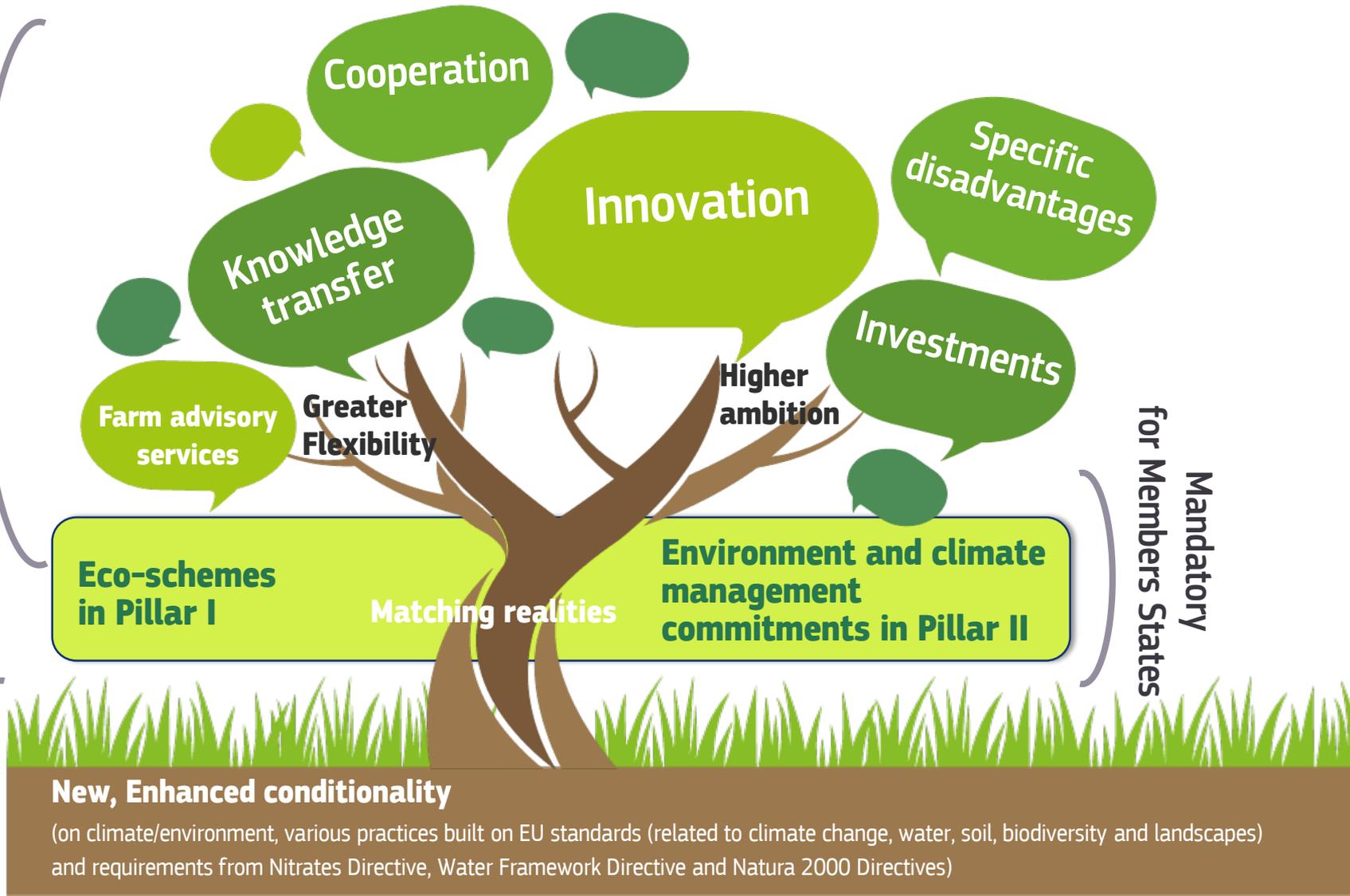
- **EAGF:** No ring-fenced spending (but MS must provide for Pillar I eco-schemes in CAP plans)
- **EAFRD:**
 - At least 30% of each MS's EAFRD funding to be spent on interventions addressing the three environment- and climate-related specific objectives
 - Spending on areas facing natural constraints (ANCs) will **not** be counted in this total
- *N.B. Issue of tracking total CAP spending on climate change is separate issue (not ring-fencing): avoid confusion!*

THE NEW GREEN ARCHITECTURE



Voluntary for farmers

Mandatory for farmers



THANK YOU!

Further information is available at:

- https://ec.europa.eu/commission/publications/factsheets-long-term-budget-proposals_en
- http://ec.europa.eu/budget/mff/index_en.cfm
- https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-common-agricultural-policy_en