



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate D. Sustainability and income support
The Director

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MINUTES

HIGH-LEVEL JOINT MEETING OF THE “EXPERT GROUP FOR HORIZONTAL QUESTIONS CONCERNING THE CAP” AND THE “CDG ENVIRONMENT AND CLIMATE CHANGE” ON THE GREEN ARCHITECTURE OF THE FUTURE CAP

Date: 25/02/2019

Chair: Mr Martin Längauer

Presence:

- All Member States were represented
- All member organisations were represented, except AnimalhealthEurope, CEMA, CAN Europe, EUROCOOP, EuroCommerce, EISA, EOCC, SACAR, Europark, Greenpeace

1. Approval of the agenda and of the minutes of previous meeting

Due to the purpose and the specific meeting format, there was no approval of the agenda and minutes of previous meeting.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

- 1. Welcome and introduction by CDG Environment and Climate Change Chairman Martin Längauer and Moderator Peter Baader, Senior Expert, DG AGRI**

Mr Baader opened the High-Level meeting and welcomed participants.

Mr Längauer welcomed participants. The chair presented his views on the new green architecture of the CAP post 2020 Commission proposal. He stressed the need to ensure food security, while complying with the requirements on the environment. Agriculture

needs to be sustainable, multifunctional and competitive. The new CAP proposal shows greater environmental ambitions, which must be matched with appropriate funding. An appropriate balance needs to be found between economic and environmental objectives. The new green architecture means an increase in baseline compared to the current cross compliance and greening requirements. The inclusion of the Water Framework Directive and the Directive on the Sustainable Use of Pesticides into the Statutory Management Requirements have been well received. However, certain elements of GAEC requirements are considered as too restrictive to farmers (e.g. maintenance of permanent grasslands, use of nutrient management plans) and it would be better replaced with voluntary measures. Certain rural development measures in relation to the environment have to be further scrutinized and more flexibility would be needed in determining the incentive element of these measures. Currently some nature conservation measures received met with declining interest with farmers in the absence of incentive element (unlike in the case of the future eco-schemes). The Chair also welcomed the EU's Long-Term 2050 net zero climate strategy. Agriculture and forestry plays an important role in it as carbon sinks from soil and biomass. There are challenges in this areas from trade-offs between the production of biomass for renewable energy production or for use in building and construction or reduction of land due to land sealing. In this context, the Pillar II rural development measures are of great importance.

Mr Bascou, on behalf of AGRI, welcomed the attendees. He emphasized the importance of the new green architecture, some Member State have already started with the SWOT analysis and meetings with stakeholders are already been taking place. It is important to have further discussions on the Commission proposal and reflect on how can we best implement the proposed measures in a more efficient and effective way, in accordance with environmental and climate objectives.

2. Key Note Address: How the future Common Agriculture Policy (CAP) will ensure higher environmental and climate ambition (20 min) – Jerzy Plewa, Director-General, DG AGRI

Mr Plewa pointed out that now is the right moment to have a discussion on the green architecture as MS are starting to prepare their CAP Strategic Plans. The plans should address the needs of citizens and consumers. We need to contribute to the reduction of greenhouse gas emissions and climate mitigation. At the same time, agriculture also needs to adapt to the effects of climate change. We need ready solutions for our farmers, while not endangering food production. Agriculture and forestry need to play a role in the circular economy. A sufficient financial support should be made available. Farmers are our “boots on the ground”, and we need to support them in order to make agriculture more sustainable and resilient. The new CAP will be result- oriented, while also ensuring simplification. We also need to ensure a level playing field. The new CAP proposal contains nine specific objectives, out of which three addresses the environment and climate change. In order to deliver on these objectives, the new CAP proposes a green architecture embedded in a new delivery model. MS should also provide a bigger ambition on the contribution to the achievements of these targets and we should avoid backsliding. For the achievement of environmental and climate objectives, the new green architecture proposes three policy components. The first component of this green architecture is the enhanced conditionality, which conditions payments to the application by farmers of environment- and climate friendly practices. This includes new elements such as the farm sustainability tool for nutrients or the additional requirements linked to the Water Framework Directive and the Directive on Sustainable use of Pesticides. The second component consists in the “Eco-schemes” proposed under Pillar I, which is

considered to be a “game changer”. The content will be defined by MS. Payments under rural development in Pillar II, as the third component of this green architecture, will continue to play an important role.

3. Key Note Address: Coherence and links with EU climate legislation in the future CAP - Mauro Petriccione, Director-General, DG CLIMA

Mr Petriccione drew attention to the dangers of the climate change, while agriculture is on the front line, with the need to adapt. In order to reach carbon-neutral Europe by 2050, emissions should be matched by removals. Agricultural sector plays a key role, as it supplies biomass to the Bioeconomy and provide carbon sink. We need to prevent land abandonments and farmers should be supported in this endeavour. The priority is to have a “win-win” strategy that also improve food security, profitability and resilience. We need to address this through several measures. Climate is reflected in the CAP proposal as part of the “green architecture” and through the expectation that 10% of CAP budget contributes to climate objectives. According to the governance of the energy union and climate action rules, MS have to be prepare National Energy and Climate Plans. DG CLIMA has received the first draft plans from all MS, which describe how MS plan to address climate change and how their policies and measures in all sectors contribute to reaching GHG emission reductions targets and adaptation goals. These draft plans are now assessed by the Commission. We need to ensure coherence between these plans and the future CAP Strategic Plans to be submitted by MS. The competent authorities of Member States on environment and climate must be effectively involved in the preparation of the CAP strategic plans. We need to maximize effectiveness of our policies across the economy. Synergies are important between agriculture and climate policy. Farmers can play a key role in addressing these new challenges. However, the CAP should not be based on compliance only, we need to reward farmers – and not only compensate – for climate- and environment friendly farming. The result-based payments reward farmers for the public goods they provide to society. We should also use new technologies to make these measures more effective. Financial support to test climate-friendly agricultural practices are available via the LIFE programme.

4. Key Note Address: Coherence and links with EU environment legislation in the future CAP – Daniel Calleja-Crespo, Director-General, DG ENV

Mr Calleja-Crespo stressed the need to address the issues of declining biodiversity, water, soil and air quality problems linked to unsustainable farming practices. We are reaching planetary boundaries on biodiversity. Farming needs to be multifunctional, sustainable and competitive. It is possible to reconcile agricultural production with economic, environmental and social expectations. Public funds should support this shift. Organic farming is an example, which mitigate climate change and sequester carbon. Organic farming is growing in area. Air pollution is making lasting damage with estimated crop losses of up to 3 billion euros per year. Reducing ammonia emissions from the agricultural sector need to be addressed too. We should promote water savings by increasing the uptake of water re-use in agricultural irrigation. In this context, the Commission proposed a draft Regulation for minimum requirements on water reuse in 2018. The CAP needs to enhance its environmental ambition. The CAP proposal offers a true opportunity for supporting the transition towards a more sustainable agriculture. We need to have a strong policy coherence between CAP and environmental legislation. National authorities responsible for environment should efficiently contribute to the

design of the CAP Strategic Plans. The new CAP calls for results and tangible improvements on the state of environment. For such a result-based system, we need the support of robust indicators. Satellite and on-site information will be combined into an enhanced performance-monitoring framework. We cannot backslide on environmental and climate objectives compared to the current CAP without undermining the long-term viability of agriculture. This viability depends on healthy ecosystems and sustainable use of natural resources. The new green architecture will be based on three components – enhanced conditionality, eco-schemes and the agri-environmental and climate measures (AECM). It is very important to ensure the alignment and coherence between the CAP's green architecture and the environmental planning tools provided for in the environmental legislation (e.g. Prioritised Action Frameworks for Natura 2000, National Air Pollution Control Programmes under the NEC Directive, the Programme of Measures under the Water Framework Directive, or the Codes of Good Practices under the Nitrate Directive). One important feature of the CAP reform is that it has a silo-braking approach. The fact that the new CAP will become performance- and result-based and that Member States will be required to establish one single CAP Strategic Plan per Member State means that the agricultural and environmental ministries of the national administrations should work together effectively in order to align agricultural goals with climate and environmental objectives.

5. Interactive discussion with participants

FEFAC asked about the environmental footprint tool, which was mentioned by Commissioner Vella. There is no direct link between life cycle and climate change approaches.

DG ENV replied on the question of the Product and Environmental Footprint (PEF), which measures the environmental performance of products and based on the product and is established based on the product life-cycle analysis. In the pilot phase, PEFs were developed for 24 products or product categories together with the industry and relevant stakeholders. Following the finalisation of a 3-year pilot phase, the PEF process is now entering into the transition phase, and COM has opened the possibility for volunteers from industry to develop new PEF category rules for other products.

DG AGRI replied that we should look at the current measures and ensure their enhancement. MS will have the final say on these measures as they design their CAP plans. We should have an analysis on the life cycle analysis soon but we need to check the integration possible.

WWF welcomed the Commission's Long-term 2050 climate change strategy. There are synergies with agriculture. It is Worried about some of the outcomes and recommendations for agriculture. No meaningful restriction for RED on forest sustainable energy.

DG CLIMA explained that the Long-term climate strategy shows a scenario whereby the EU can reach climate neutral economy by 2050 based on current technology. This is not a detailed policy prescription. The vision presented in this document needs to be fully endorsed by Member States and the Commission has to prepare plans to fully implement it. The strategy is not yet a full indication for actions. We need to recall that Europe is not an island, the challenges and the policy solutions to give are both transboundary in nature, but still we need to determine where Europe must go on climate change and act accordingly.

IUCN welcomed the presence of all three Director-generals, it appreciated such cooperation.

Copa-Cogeca asked about the links between CAP and carbon storage. Can CAP fill the gap in LULUCF and fully recognize the sinks by agriculture. The removals are not in.

DG CLIMA replied that LULUCF only sets obligations for MS and then MS sets the targets and measure the impact.

DG ENV added that the measurement of carbon sequestration is technically challenging.

Copa Cogeca clarified the question on the links between the CAP and LULUCF.

CEJA asked about the circulation of information, it emphasized the need to have links with the farmers and have information on the ground. Every reform opens a lot of new questions. It expressed worries about the timeline for the proposal.

DG AGRI stressed the importance of cooperation and exchange of information between AGRI and Member States. AGRI has created 27 Geo-Hubs in order to assist Member States in preparing their CAP Strategic Plans. Some MS are already working on SWOT analysis. There is no risk that CAP will be renationalised, the new CAP offers a partnership between the Commission and Member States.

DG ENV replied that communication is of vital importance to ensure coherence with environmental legislation as well. CAP is an effective instrument to ensure competitiveness of the farming sector and progress towards a circular economy.

Danish Ministry welcomed the presence of three Director-generals. It supported the Commission proposal on having more flexibility. It supports the mandatory requirements and help farmers in delivering ecosystem services.

Butterfly Conservation Europe welcomed the coherence on the environment, the involvement of environmental authorities and stakeholders and the proposed actions on biodiversity. Can eco-scheme help to protect the semi natural grasslands and reconvert abandoned land into semi natural grasslands? Can butterfly index be used to monitor the status of pollinators?

DG ENV emphasized the importance to support farmers on biodiversity related actions. Concerning the pollinators, He also informed on a joint Commission-JRC initiative to analyse the situation of pollinators.

DG CLIMA replied that the Commission is very much aware of the problem related to abandoned land and it is looking into the subject.

6. The green architecture of the future CAP and combinations of various policy interventions – DG AGRI

Mr Bascou delivered the presentation on the new green architecture of the future CAP.

7. Questions and answers

Copa-Cogeca member organisation asked about the costs to implement the eco-scheme in Pillar I due to different direct payments in MS. Also asked about the feasibility for the GAEC on soil cover in northern countries.

AGRI explained that the presentation gave only hypothetical examples but the concrete requirements have to be defined by the Member States. There will be flexibility but no exemptions. We need a better and more efficient policy, based on tighter budget and with new measures.

Copa-Cogeca member organisation noted the importance of coherence and consistency. If we should be more ambitious on environment, we need more funding. Trade policy also has a significant impact on CAP (e.g. biofuel can be produced within Europe but it is also imported from Brasil). Many smart technologies (e.g. fertiliser planners, start-ups using satellite images, use of drones etc.) are already available to farmers to delivery on environmental protection. Can we really have reliable information from the satellite technology for the nutrient management plan?

AGRI replied that the Commission clearly wants to address this coherence in the new CAP and it wants to get away from the top-down approach characterised by the CAP so far. Many farmers in Europe have already access to some sort of nutrient management tools, but not all. The objective is to roll this information to all farmers in Europe by providing a Farm Sustainable Nutrient Management tool, which will integrate information and data from many sources. However, the purpose is not to check farmers.

Copa-Cogeca member organisation welcomed the opportunity for designing more targeted biodiversity actions. The new CAP should really bring more simplification, but it expressed some concerns that it is not always the case in the proposal. The enhanced conditionality proposes more stringent conditions, which will be the baseline for the eco-schemes. More targeted eco-schemes are needed, but it is important not to overload farmers with requirements.

AGRI confirmed that simplification is an objective of the new CAP proposal but it also depends on how public policy will be put into practice. **AGRI** considers that the CAP proposal strikes a balance between mandatory and voluntary elements, but at the same time we need to raise the environmental and climate ambitions.

Copa-Cogeca member organisation focused on the question of sustainability and the nine specific CAP objectives. A synergy between the three “legs” of sustainability – economic, environmental and social – need to be achieved. The important issue is how we can change the incentives for farmers in the future. Measuring performance on biodiversity is challenging.

AGRI agreed that all three pillars of sustainability are important element of the CAP proposal and that we need a global approach to achieve this. There are no specific eligibility rules in the new CAP proposal; these rules will be defined by the Member States. The new CAP will be performance based, where MS have to set specific targets in their CAP Strategic Plans. The Commission will then monitor progress, based on result indicators and carry out a clearance based on the Member State performance.

EURAF asked about the difference between eco-schemes and agri-environmental climate measures. How can Member State make a payment based on result?

DG AGRI replied that there is limitation on the eco-scheme payment that it should be WTO green box compliant. Such payment should not provide incentives to produce. Payments can be result-based based on cost incurred/income foregone.

8. Concrete examples of implementation of the new green architecture regarding water (by stakeholder organisations)

Presentation by Jabier Ruiz, WWF on the blue architecture.

Presentation by Alice Cerutti, CEJA on the ricefields.

9. Concrete examples of implementation of the new green CAP architecture regarding soil (by stakeholder organisations)

Presentation by Marie Catherine Schulz from France nature environment.

Presentation by Christian Schade, IFOAM on improving soil quality.

10. Concrete examples of implementation of the new green CAP architecture regarding biodiversity (by stakeholder organisations)

Presentation by DR Opperman, Birdlife.

Presentation by Steffen Pinggen, DBV on biodiversity and the FRANZ project.

11. Questions and Answers

Organization of Maize Producers noted that the presentation do not give a picture on real farming in the EU. Only two presentations were form the farming sector.

EEB complimented on the presence of a woman farmer. Welcomed the presentation of smart tools.

Birdlife commented that the vast majority of CAP money does not go towards environment and that CAP money provides damage.

Mr Baader provided a strong rebuke to this comment, highlighting that CAP and direct payments go towards providing our food security, supporting farming community and provision of public goods, we cannot in any regard say that CAP funding is damaging the environment.

Copa Cogeca stated that even as they did a lot for the environment in Croatia but rural area are now facing the problem of depopulation.

12. Concrete examples of implementation of the new green CAP architecture regarding GHG emissions (by Member States)

Presentation by Aard Mulders from the Dutch Ministry of Agriculture, Nature, Food Quality.

13. Concrete examples of implementation of the new green CAP architecture regarding air quality (by Member States)

Presentation by Stina Olofsson from the Swedish Board of Agriculture.

14. Questions and Answers

Butterfly Conservation emphasized the importance of knowledge transfer and asked if the farm advisory services will also be available in relation to ecosystem services and biodiversity.

AGRI underlined that the farm advisory services (FAS) should also cover environment and climate related issues. Member States will have to integrate the FAS into the Agricultural Knowledge and Innovation System (AKIS). Member States need to describe in their CAP strategic plans how they intend using FAS.

Slovenian Ministry of Agriculture asked about the different payments under eco-schemes.

AGRI replied that MS have to justify the amounts provided under eco-schemes. The cost incurred/income foregone needs to be taken into account. However, the scheme should be financially attractive for sufficient take up by farmers. Cost and incentives aspects must be in it. There is no precise methodology.

Copa Cogeca commented that farmers want to have an adequate income

Italy asked about the environmental incentive provided through conditionality in the direct payments and that it does not match the ambition the farms should produce.

AGRI replied that the eco-schemes will focus on the results and will answer to all three pillars of sustainability. If we want to increase the CAP environmental and climate ambition of the CAP, we need enhanced conditionality and extra eco-payments under pillar I and agri-environmental climate measures under Pillar II. However, many of the GAEC standards are already implemented. We need to take a balanced approach on the environment and climate actions and economic viability. As regards organic farming, it is not excluded to provide for an annual payment under eco-schemes, while continue funding multiannual commitments under pillar I measures.

IFOAM asked about the new result-based system and wondered how to prevent a race to the bottom.

AGRI replied that the COM will scrutinize the CAP strategic plans and look whether there is value added. GEO hubs will help MS to devise the CAP plans.

Poland asked how to make the eco-schemes and AECM more attractive to farmers. This is not going to happen with paying for costs incurred and income foregone only.

AGRI replied that a flexibility should be given to MS to design these measures in a way that they could be attractive while still remain “sensible use of public money”. There are no prescriptive formula proposed for MS.

15. Summary and Closure by Jerzy Plewa, Director General, DG AGRI

Mr Plewa closed the meeting.

4. List of participants

< e-signed >

Bruno CHAUVIN Head of Unit p.o.

Pierre BASCOU absent

List of participants– Minutes

High-Level Joint Meeting Of The “Expert Group For Horizontal Questions Concerning The Cap” And The “Cdg Environment And Climate Change” On The Green Architecture Of The Future Cap

Date: 25/2/19

1. Member States delegates:

MEMBER STATE	Ministry Or Organisation	NUMBER OF PERSONS
Belgium	Vlaamse Overheid, SPW-DPEAI	7
Bulgaria	Ministry of Agriculture, Food and Forestry, PermRep	2
Czech Republic	Ministry of Agriculture	2
Denmark	Landbrugsstyrelsen, Miljø- og Fødevareministeriet	3
Germany	PermRep	1
Estonia	Ministry of Rural Affairs	1
Ireland	Department of Agriculture Food and the Marine	3
Greece	Directorate of Agricultural Policy, Documentation and International Relations, Managing Authority of RDP, OPEKEPE Greek Paying Agency	4
Spain	Junta de Andalucía, Ministerio de Agricultura, Pesca y Alimentación, PermRep	5
France	Ministère de l'Agriculture et de l'Alimentation	4
Croatia	Ministry of Agriculture	2
Italy	Council for Agricultural Research and Agricultural Economics Analysis (CREA), Ministry for Agricultural Policies, PermRep	4
Cyprus	Department of Agriculture, Ministry of Agriculture, Rural Development and Environment	1
Latvia	Ministry of Agriculture, Ministry of Environmental Protection and Regional Development	3

Lithuania	The Ministry of Agriculture of the Republic of Lithuania	3
Luxembourg	Ministère de l'Agriculture, de la Viticulture et du Développement rural	3
Hungary	Ministry of Agriculture	3
Malta	Agriculture and Rural Payments Agency (ARPA), Ministry for the Environment Sustainable development and climate change	2
Netherlands	Ministerie van Landbouw, Natuur en Voedselkwaliteit	4
Austria	Federal Ministry for Sustainability and Tourism	1
Poland	Ministry of Agriculture and Rural Development	4
Portugal	MAFDR-GPP	1
Romania	Ministry of Agri, PermRep	2
Slovenia	AGRICULTURE MINISTRY	2
Slovakia	The Ministry of Agriculture and Rural Development of the Slovak Republic	2
Finland	Ministry of Agriculture and Forestry, Food Department, Permanent Representation of Finland to the European Union	3
Sweden	Ministry of the Environment, Ministry of Enterprise and Innovation, Swedish Board of Agriculture	3
United Kingdom	Rural Payments Agency, UK Representation to the EU	2

2. Organisations:

MEMBER ORGANISATION	NAME	FIRST NAME
AROCHA	FELGUEIRAS	Marcial
Bee Life-European Beekeeping Coordination (Bee Life)	ADOLPHE	Cindy
Butterfly Conservation	COLLINS	Sue

COGECA Farmers Parliament (ZSA)	DZELZKALĒJA-BURMISTRE	Maira
COGECA HPK	RADIĆ	Tajana
COGECA KRIR	VERSET	Malgorzata
Confédération Européenne de la Production de Maïs (C.E.P.M)	BULHÃO MARTINS	Luís
COPA	LOPEZ	Ignacio
Euromontana (Euromontana)	BUCHACA	Joan
Euromontana (Euromontana)	MOSDALE	Lauren
EuropaBio	BUCO	Maria teresa
European agri-cooperatives (COGECA)	DI ROLLO	Barbara
European agri-cooperatives (COGECA)	ØSTERGAARD	Maria skovager
European agri-cooperatives (COGECA)	PIETOLA	Liisa
European agri-cooperatives (COGECA)	VRUBLOVA	Katerina
European Agroforestry Federation (EURAF)	CROUS-DURAN	Josep
European Agroforestry Federation (EURAF)	LAWSON	Gerry
European Biodiesel Board (EBB)	PAULA	André

	SANTOS	
European Coordination Via Campesina (ECVC)	GARAU	Laura
European Council of Young farmers (CEJA)	GRIFFIN	Gerard
European Crop Protection Association (ECPA)	KICINSKI	Michal
European Environmental Bureau (EEB)	SCHULZ- VANNAXAY	Marie- catherine
European Environmental Bureau (EEB)	SLABE	Anamarija
European farmers (COPA)	LÄNGAUER	Martin
European farmers (COPA)	PERIC	Nenad
European farmers (COPA)	PINGEN	Steffen
European farmers (COPA)	ROBINSON	Claire
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	MANURUNG	Kartika
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	PERIANES PEDRERO	Antonio
European Forum on Nature Conservation and Pastoralism (EFNCP)	SCHENK	Andreas
European Landowners' Organization asbl (ELO asbl)	BRITO	Alexandra
European Landowners' Organization asbl (ELO asbl)	PAIVA BRANDAO	Ana

European Landowners' Organization asbl (ELO asbl)	ROCHA	Ana
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	DEWAR	Flora
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	SCHEJA	Martha
Fertilizers Europe	BÖMCKE	Elisabeth
Fertilizers Europe	PASTERSKI	Lukasz
FNSEA	LHERMITTE	Sylvain
FoodDrinkEurope (FoodDrinkEurope)	ALEXANDER	Döring
FoodDrinkEurope (FoodDrinkEurope)	LIBERTINI	Maria
Friends of the Earth Europe (FoEE)	BECHEVA	Stanka
IEEP	BAS-DEFOSSEZ	Faustine
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	DE LA VEGA	Nicolas
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	METERA	Dorota
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	SCHADER	Christian
International Union for Conservation of Nature - IUCN	ARROYO	Alberto

Pesticide Action Network Europe (PAN Europe)	CHRISTENSEN	Henriette
Pesticide Action Network Europe (PAN Europe)	ORHAN	Seda
Slow Food (NA)	MESSA	Marta
Stichting BirdLife Europe (BirdLife Europe)	OPPERMANN	Rainer
Wetlands International	APPULO	Lea
WWF European Policy Programme (WWF EPO)	MASON	Alex
WWF European Policy Programme (WWF EPO)	RUIZ	Jabier

3. Council of the European Union:

Council General Secretariat	1
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