

Joint CDG meeting

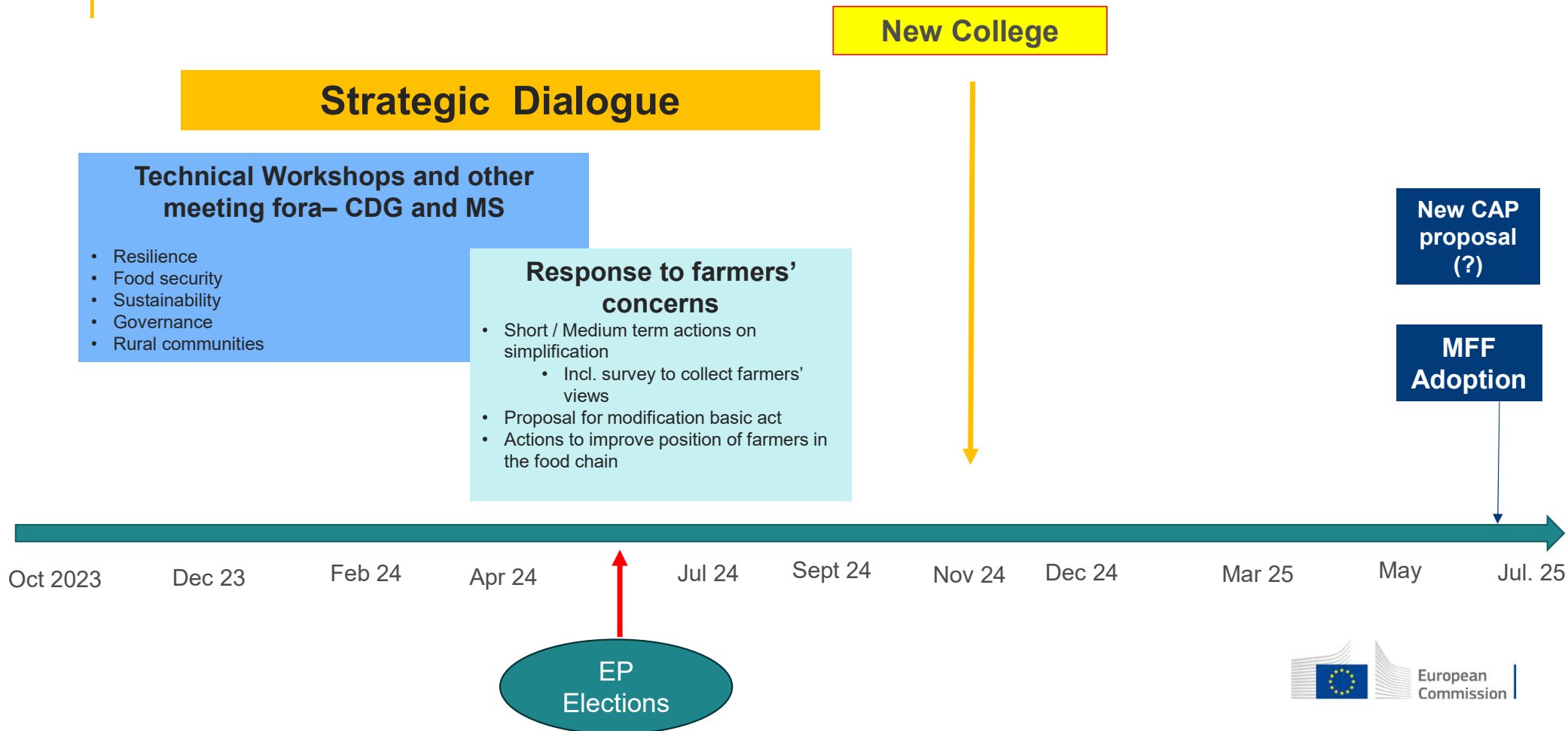
Session 1:

Sustainable farming and CAP – learning from the present and looking in the future

14 March 2024

DG AGRI

Overall context



Strategic Dialogue on the future of EU agriculture

A new forum to shape a shared vision for the future of the EU's farming and food system among key stakeholders

Bringing together farmers, agribusiness, retailers, consumers, environmental groups, financial institutions, and academia – 29 organisations; with external and neutral facilitation (Prof. Strohschneider)

Close to 200 European stakeholders (not officially member of the Strategic Dialogue) invited for a targeted consultation (DDL: 5 April)

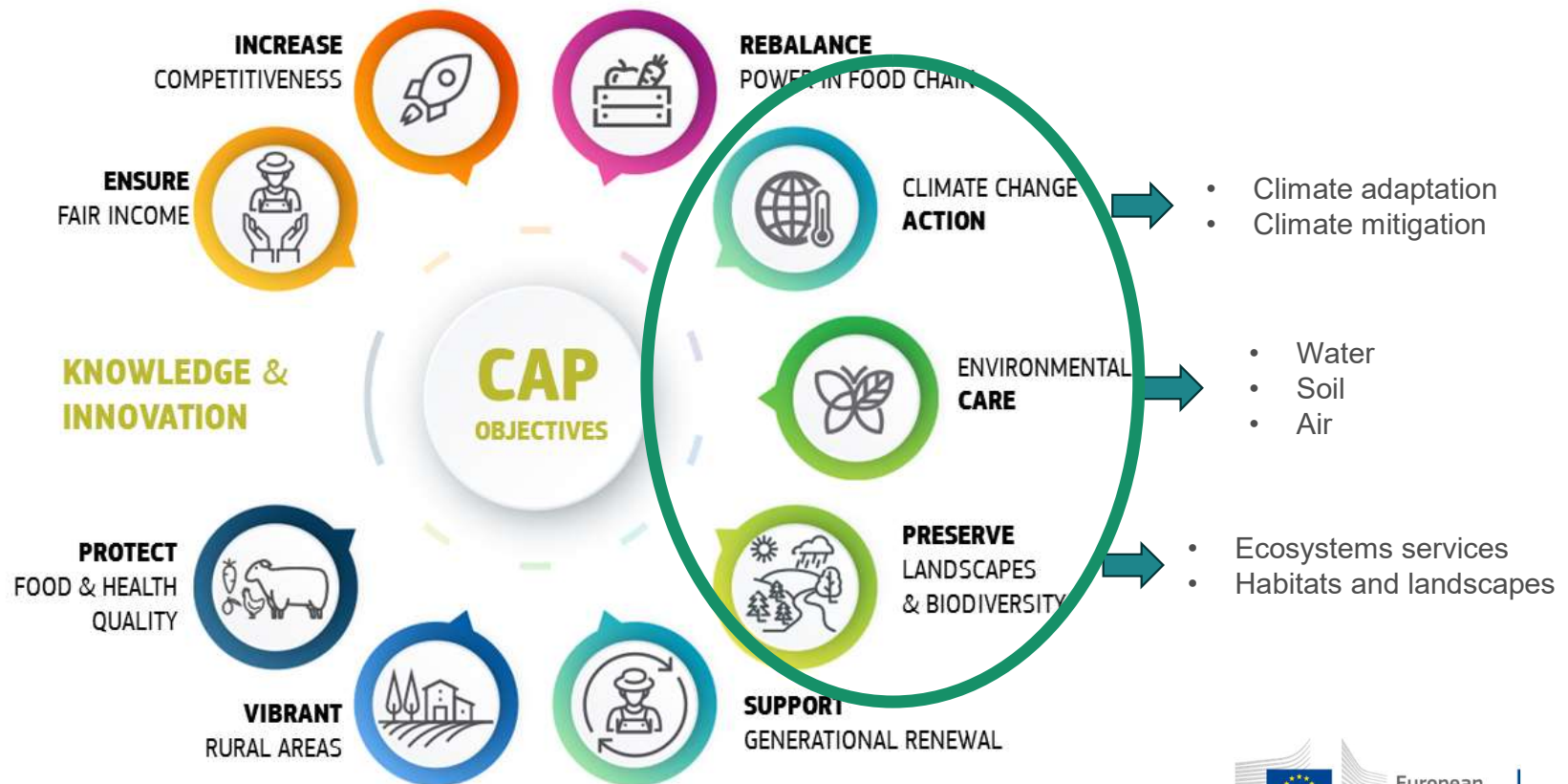
The dialogue will tackle the following questions:

- How can we give our farmers, and the rural communities they live in, a **better perspective, including a fair standard of living**?
- How can we support agriculture within the **boundaries of our planet and its ecosystem**?
- How can we make better use of the immense opportunities offered by **knowledge and technological innovation**?
- How can we promote a bright and thriving future for **Europe's food system in a competitive world**?

Report expected by end of summer, 2024

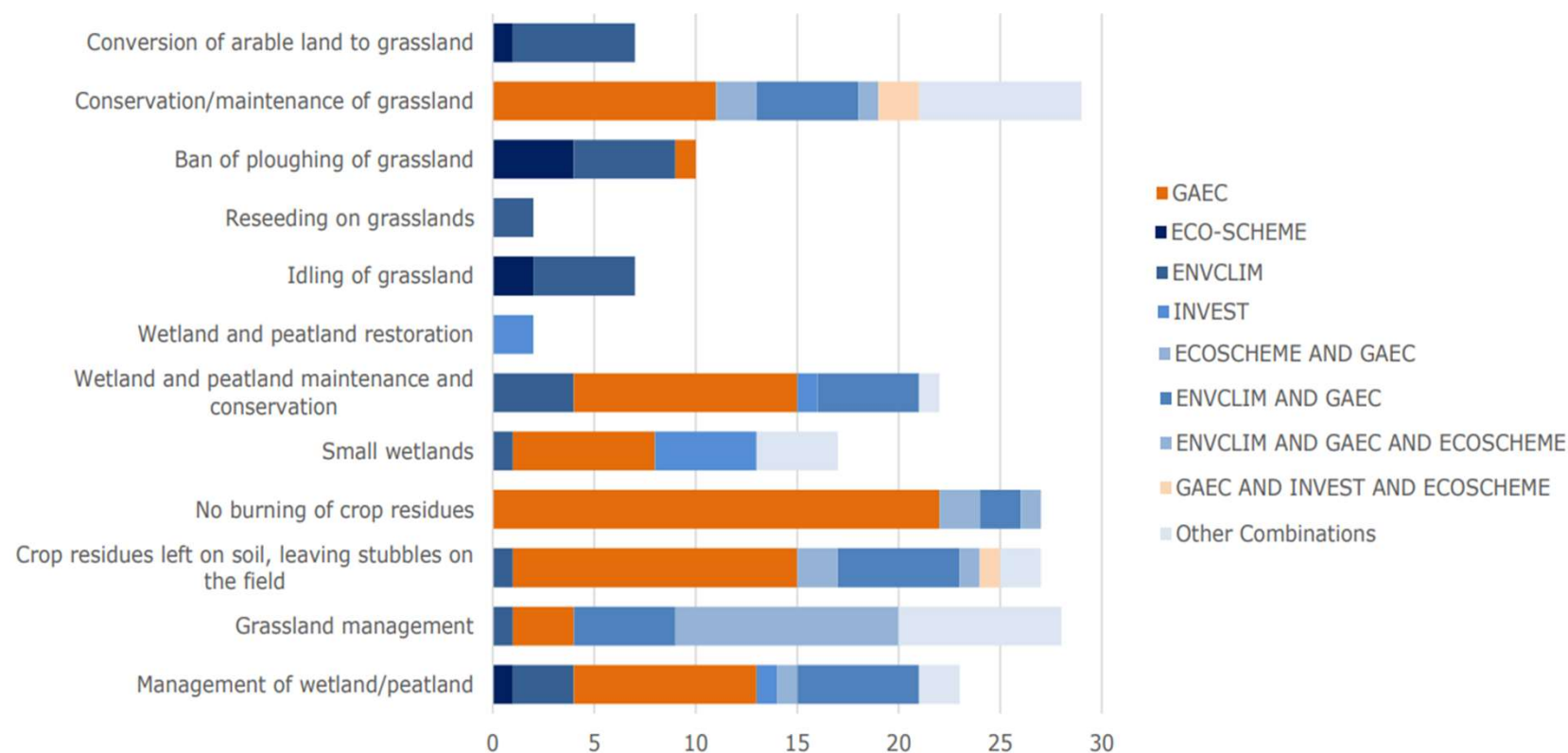
Green objectives

CAP Objectives & sustainability dimensions



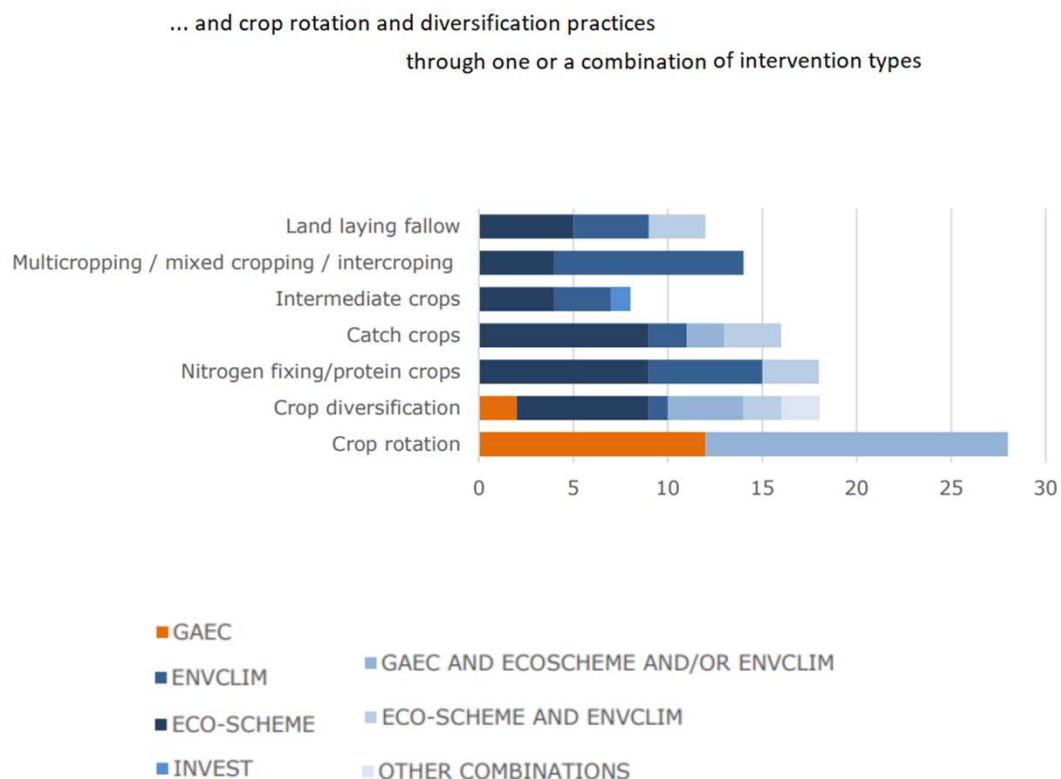
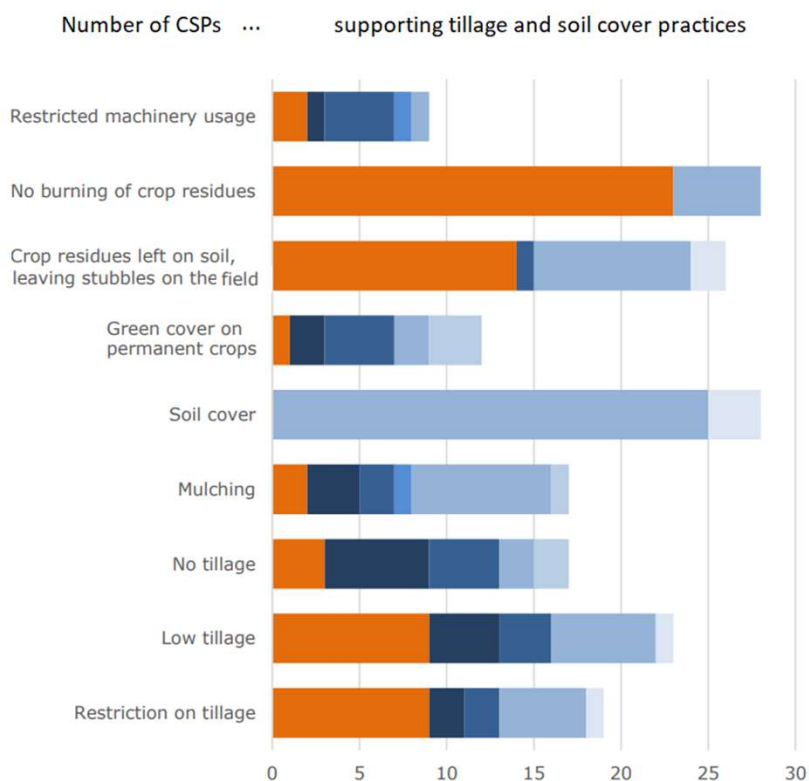
SOCIAL

Significant effort on practices enhancing **carbon sequestration and storage** in soil and biomass, **supporting soil organic carbon increases and/or maintenance practices** through one or a combination of intervention types



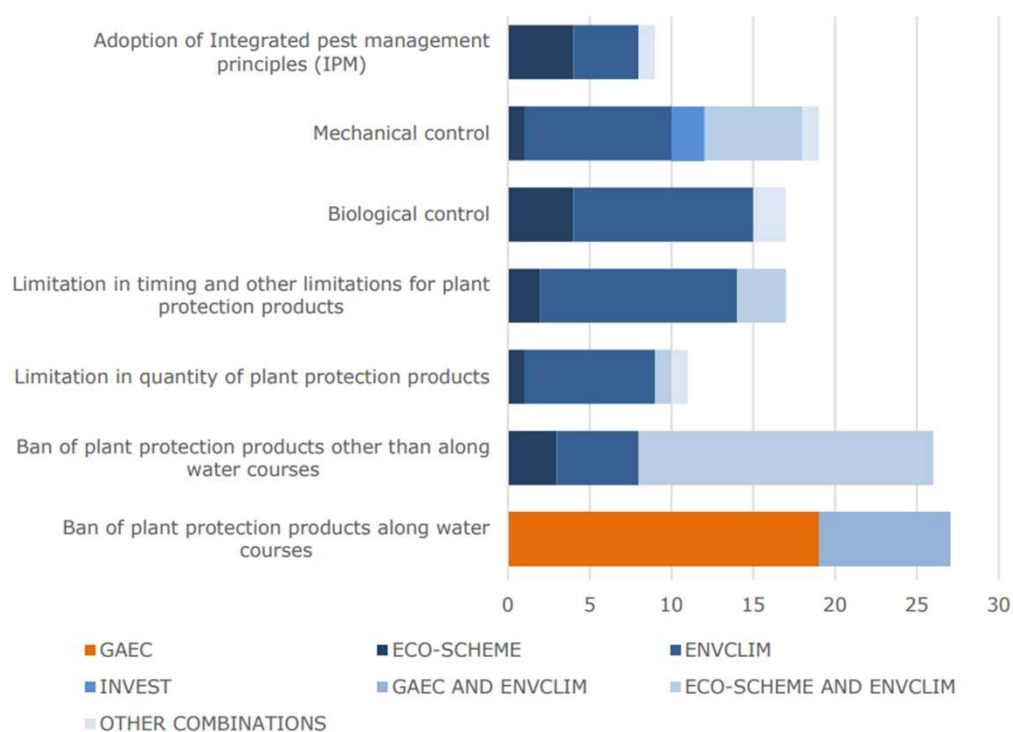
Source: Adapted after (Ecorys et al.,2023) Mapping and Analysis of CAP Strategic Plans

Substantial effort on soil protection: 47% of EU farmland under practices beyond enhanced conditionality



Good potential to contribute to the Farm to Fork target to **reduce by 50%** the use and risk of chemical **pesticides** by 2030

Number of CSPs supporting plant protection practices through one or a combination of intervention types



- ✓ **27% EU farmland** under actions to reduce pesticide use beyond conditionality
- ✓ **Expansion** of support to **organically** farmed land
- ✓ Complemented e.g. by support for precision farming, transition to low input systems, advice, collective approaches in fruit & vegetable sector

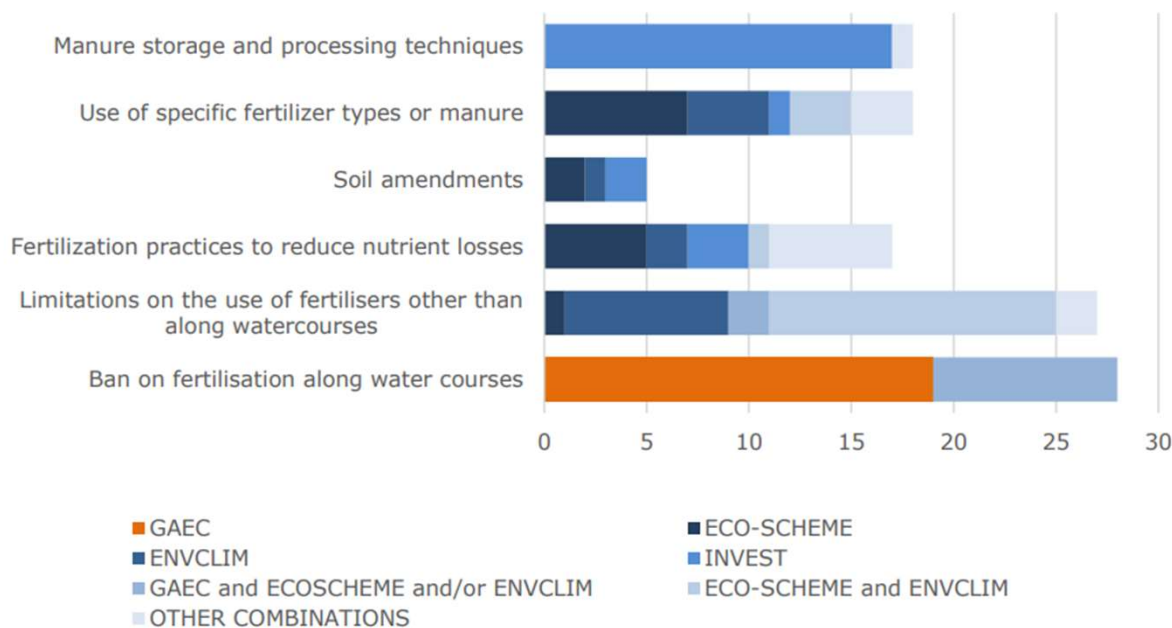
Points of attention:

- Holistic IPM approaches could have been better reflected
- Substantial supplementary efforts expected at national level

Source: (Ecorys et al., 2023) Mapping and Analysis of CAP Plans...

CSPs' contribution to the Farm to Fork Strategy target to **reduce nutrient losses** by 50% by 2030

Number of CSPs supporting fertilisation and soil amendment practices through combination of intervention types



- ✓ 15% of EU farmland targeted with actions beyond conditionality
- ✓ Support to restrict the use of fertilisers in Natura 2000 areas
- ✓ Manure management and precision technologies to optimise fertiliser use

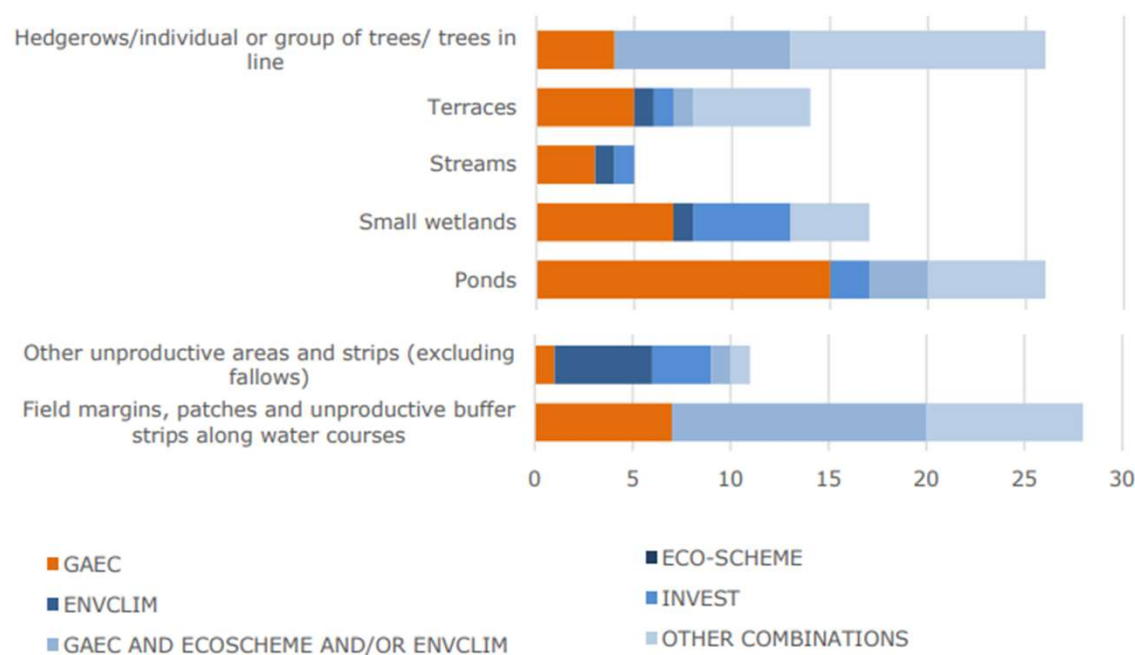
Points of attention

- Focus lacking in some hotspots
- Under-used compensations for WFD measures to counter nutrient pollution

Source: (Ecorys et al., 2023) Mapping and Analysis of CAP Plans...

CSPs contribute to **increasing the presence of high diversity landscape features** towards 10% EU farmland target for 2030 set in the EU Biodiversity Strategy

Number of CSPs supporting landscape feature through combination of intervention types



- ✓ More space for nature in areas eligible for CAP support
- ✓ 1.7% of EU land under commitments to maintain landscape features
- ✓ Investments in creating new landscape features

Biodiversity challenges



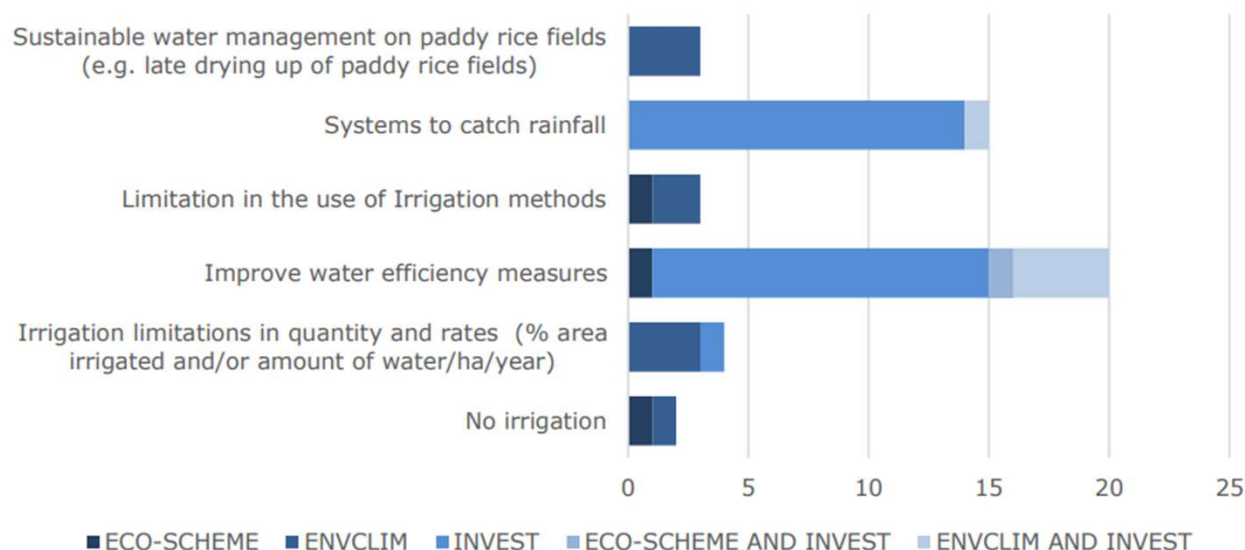
- ✓ More space for nature in areas eligible for CAP support
- ✓ **31%** of EU farmland with actions supporting biodiversity conservation or restoration beyond conditionality
- ✓ **25%** of Natura 2000 areas under voluntary measures for improved management
- ✓ **Targeted schemes** in relation to species (e.g., to support coexistence with large carnivores) or habitat restoration
- ✓ Payments compensating for **restrictions in Natura 2000** areas potentially reaching more farmers
- ✓ Increasing use of **collective approaches** at landscape scale & **result-based schemes**

Points of attention:

- Opportunities to preserve habitats and species & support for PAF actions could have been better exploited
- The scale of biodiversity problems calls for **more coverage** of more promising schemes underpinned by **adequate financial resources**

Approaches to **climate adaptation, sustainable water use & water scarcity** need to be improved or reinforced

Number of CSPs supporting sustainable use of water practices through combination of intervention types



- ✓ **CSPs' mandatory & voluntary efforts** on carbon sequestration, soil protection and landscape diversification contribute to resilience
- ✓ **4.5% of EU farmland** is targeted for improving water balance through land-based practices

Points of attention:

- More holistic and longer-term approaches are needed for climate adaptation

Source: (Ecorys et al., 2023) Mapping and Analysis of CAP Plans...

Green instruments

The current green architecture: Combination of tools aims to ***transition to sustainable practices*** and advance on ***climate, natural resources and biodiversity***

Link
with other
legislation

158 eco-schemes

€ 44.7 bln targeting
24% of Direct
Payments

70% of EU farmland

Rural development
€ 33.2 bln
48 % EAFRD

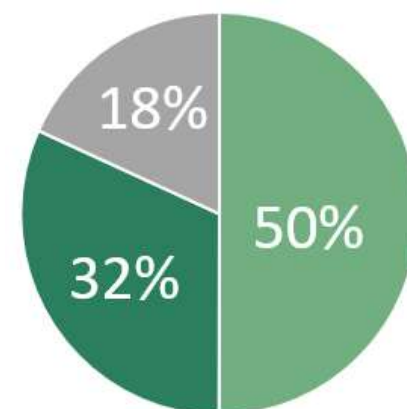
Agri-env-clim on 15% of EU farmland
Natura 2000/WFD compensation
(5% Natura 2000 agri/forests)
Green investments
Areas facing natural constraints

Sectoral
support
min. € 830

(15% fruit &
vegetables
5% wine)

Knowledge
&
information

Risk
managem
ent



- Income support subject to conditionality related to environment and climate
- Targeted instruments in support of environment, climate and animal welfare
- Remaining CAP spending

conditionality

Definitions – relevant criteria for eligible areas relevant to environment

Green architecture of CAP – voluntary support instruments



Green architecture of CAP – voluntary support instruments – areas for reflections



Targeting – coverage, ambition



Design and rules
(requirements, eligibility,
support levels, criteria for
payment, timeline)



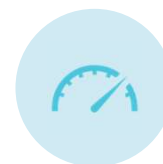
Uptake



Combination and
complementarity

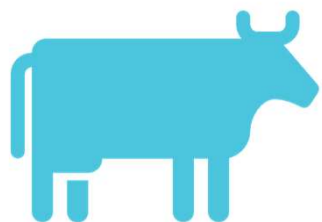


Advice, knowledge,
capacity



Monitoring

Green architecture of CAP – voluntary support instruments



At farm level



At governance / MS level

Thematic group Eco-schemes (20/02/24) – Recommendations

1. Improve the sharing of information with and among different actors and strengthen Agricultural Knowledge and Innovation Systems (AKIS) (EC and MAs);
2. Scale-up peer-to-peer learning and demonstration activities (MAs);
3. Put in place structures to encourage scheme co-design with farmers and build trust across all actors in the value chain (EC, MAs);
4. Set up helpdesks in order to establish direct lines of communication with farmers and advisors (MAs)
5. Explore the possibility of “package approaches” to simplify the application process whereby farmers choose from a suite of suitable practices/measures, without needing to know the funding source/intervention type (MAs);
6. Facilitate the sharing of best practices between Member States i.e. for ICT tools (EC, MAs);
7. Allow greater flexibility in how funding can be moved to environmental interventions; to adjust depending on uptake and to ensure budgetary certainty for farmers (EC, MAs);
8. Ensure participation in schemes addressing basic environmental needs with top-up options for increased environmental ambition (MAs);
9. Consider certification systems for sustainable farming systems to encourage additional financial reward from the market (EC, MAs);
10. Include consideration of the need for two CAP ‘Pillars’ or funds as part of the discussions on the future CAP (EC, MAs).

Workshop on sustainability (15/02/24) – Some takeaways from discussions

- Payments are seen as not sufficiently attractive
- Some interventions are difficult to implement (e.g. result-based payments when measurement is challenging)
- Farmers operate in a different timeframe from intervention designers
- Greater knowledge and provision of advice are needed to boost scheme uptake
- Risks borne by farmers when starting and trying out approaches which are new for them and for their production system
- EU should move to a different overall configuration of CAP payments - centred primarily on payments for environmental public goods, but with an explicit and adequate income component
- Member States should have an incentive to design good environmental schemes, as they do not always use the flexibility of the CAP rules to the best effect
- The annual frequency of payments needs to account for the fact that certain practices can yield results and changes (i.e. reduction of emissions) only after a longer period of application

Key questions for exchange related to the Green architecture—voluntary instruments



What works well and what are key enablers?



What are key bottlenecks?



What can be strengthened to help implementation



What is the role of advice and how can this be supported?

Thanks