



European
Commission



Review and state of play of Greening after two years of implementation

19 May 2017



*DG Agriculture and Rural Development
European Commission*

Agriculture
and Rural
Development

Analysis of greening implementation

- **Simplification: "Greening review after one year" and "Omnibus"**
- **Main outcomes of the greening indicators for 2015 and 2016**
- **March 2017 report on EFA implementation**

Context and purpose of the Greening Review

Review after 1 year of application

- The review responded to the Commission's commitment on EFA in April 2014 to review the greening after one year (impact on level playing field, production potential and administrative burden).
- This review was part of CAP simplification agenda as undertaken by Commissioner Hogan and the Commission REFIT exercise

The Review aimed to propose a balanced package

- Provide a fine-tuning of current rules, especially for EFAs, to make them easier to understand and implement both by farmers and administrations
- Improve the environmental performance of the policy
- the review was accompanied by a set of 14 concrete measures for simplification/environment (changes to delegated regulation)

Main measures from greening review

Landscape features and strips (e.g. buffer strips, strips along forest ...)

- Merging of certain strips (buffer strips and field margins) and streamline associated conditions (min and max width: 1 to 20 m + no production requirements)
- Merging of certain landscape features (trees in line, wooded strips and hedges)
- More flexibility for the qualification of landscape features:
 - Corresponding area calculated up to the maximum width or size
 - Adjacency notion extended (to two adjacent elements)

Main measures from greening review

Land lying fallow definition

- Minimal duration of 6 months (possibility to resume production for farmer before the end of the year)

Catch crop and green cover

- Removal of deadline for sowing (before 1st October)
- Common minimum duration (8 weeks)

Nitrogen fixing crops

- Allowing mixture of seeds for Nitrogen Fixing Crops (NFC)

Common definition and production conditions

- Ban of use of pesticides on productive EFA (Nitrogen fixing crops, catch crops and green cover, land lying fallow and strips along forest)

Next steps

New delegated act has been adopted in mid-February 2017 after ISC and a feedback procedure closed mid-January 2017.

Entry into force, following EP and Council scrutiny, is foreseen by end of June

- Extension of scrutiny period by 2 months by COMAGRI on 21 March 2017
- EP Resolution to be voted by COMAGRI on 30 May (and in case of objection final decision in Strasbourg plenary session mid-June)

An explanatory note on ban on using pesticides on productive EFAs (implementation and controls) was presented to MS experts within the expert group at the end of March.

Context of the Omnibus as regards Greening

- Building on the Commissioner commitment as regards simplification, further measures have been included in the **Omnibus Regulation published by the European Commission on 16/10/2016.**
- **All four of the basic CAP Regulations** – Direct Payments, Rural Development, CMO and Horizontal Regulation are concerned by Commission proposal.
- Main changes aim to ease the burden for both farmers and national authorities and to introduce more possibilities or flexibility for some instruments such as Income Stabilisation Tool, **loans and other Financial Instruments, the definition of an "active farmer (but no change for greening rules).**
- Commission proposal did not include greening

Timing of the Omnibus negotiation

- Commission proposals issued **on 16/10/2016**
- Council position: compromise text agreed within SCA **on 10 April 2017**
- European Parliament : compromise amendments voted in COMAGRI on **02 May 2017**
- Trilogue meetings foreseen in **June-July 2017**
- Entry into force foreseen from **01 January 2018**

Main changes proposed by co-legislators

Supported by both European parliament (COMAGRI) and Council (SCA):

- **Modification of Permanent grassland definition aiming at**
 - Mitigating the Court case (C-47/13) effects
 - Extend the scope of PG by making eligible Mediterranean land where grass is not predominant

Supported by European Parliament (COMAGRI) only:

- **Increase and alignment of some thresholds related to crop diversification and EFA**
- **Extension of the list of EFA to new crops such as miscanthus, silphium perfoliatum etc and increasing of WF for productive crops.**

Main outcomes of the greening indicators for 2015 and 2016

(updated may 2017)

State of play

- **2015:**

- Notifications on indicators received by 27 MS (excluding FR)
- Compared to the SWD on the review after one year: UK Scotland + other updates in 5 MS
- Notifications on PG ratio received from all MS
- Notifications on other direct payments schemes received in second half 2016 (SFS)

- **2016:**

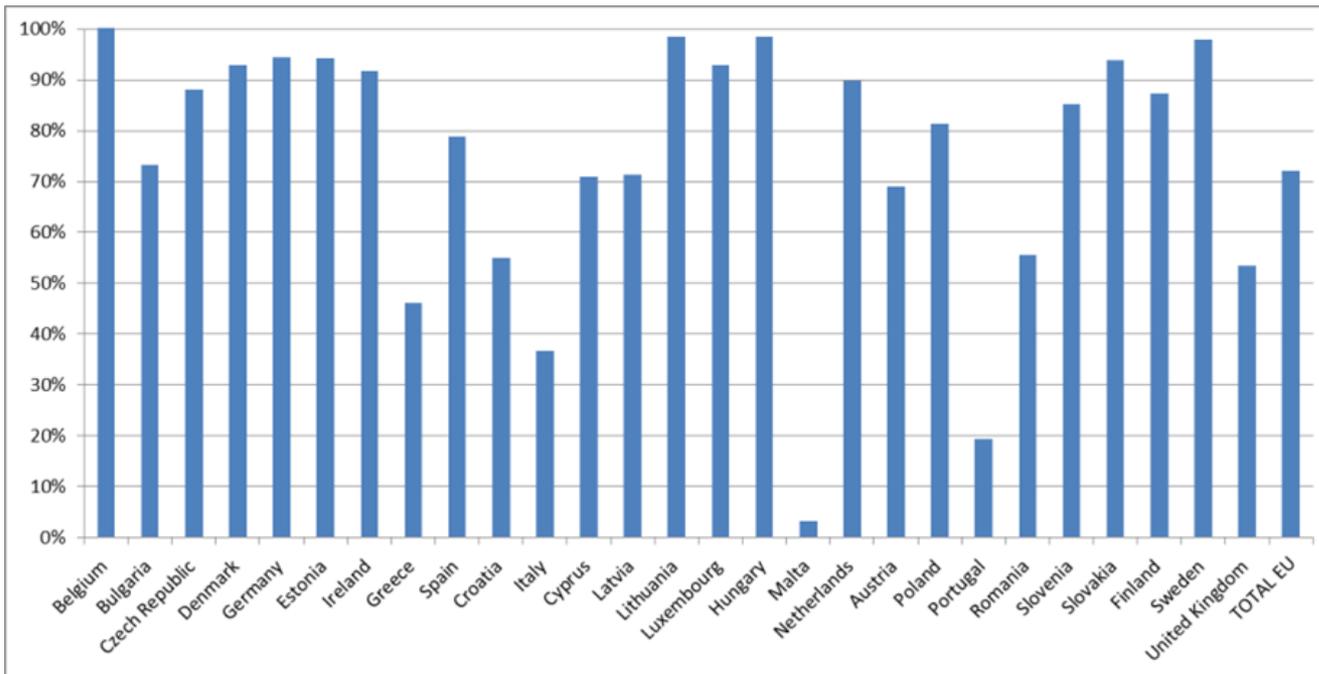
- Notifications on indicators received by 27 MS (excluding FR)
- For EFA report (in February 2017): received only 19 MS
- Notifications on PG ratio received from 26 MS

Presentation of the main figures:

consolidated data for year 2015 + trends in 2016

Farms under at least one greening obligation

*Number of hectares of total utilised agricultural area (UAA)
(compared to Eurostat FSS 2013)*



*Total agricultural area:
110 million ha → 75 % of
Eurostat UAA*

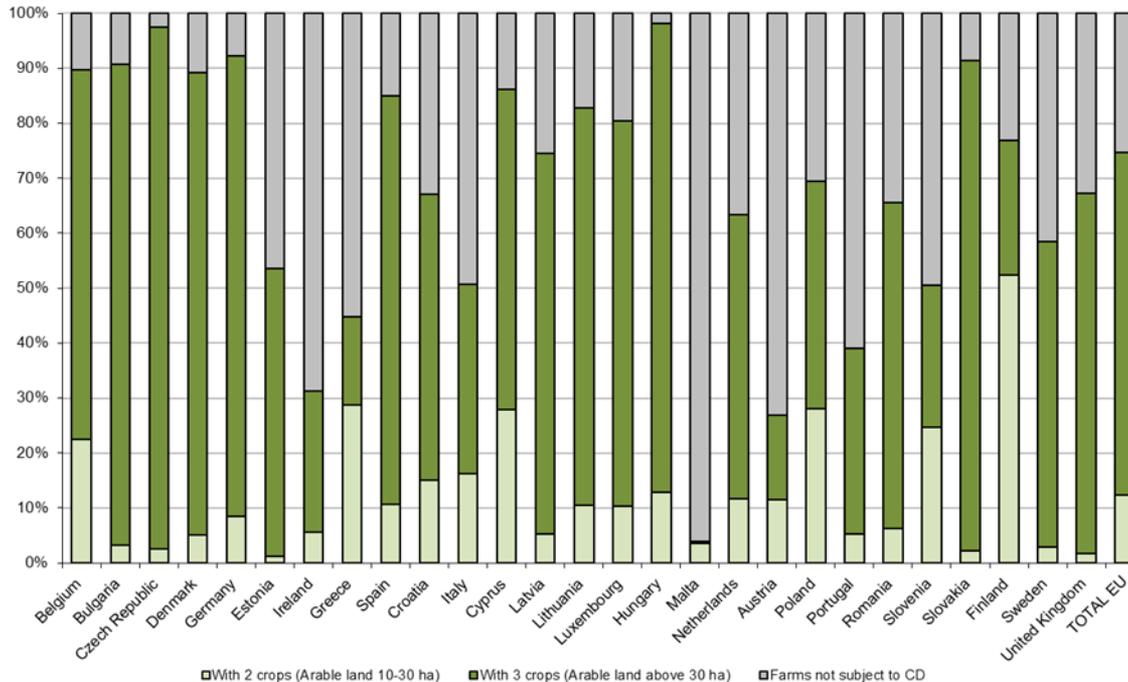
*Number of farmers: 35 %
of direct payment
beneficiaries*

Lower percentages may be found due to:

- *Farms outside the direct payment system (11 % of UAA)*
- *Exempted farms → Small Farmers Scheme - Organic farms - Farms with less than 10 ha of arable land*
- *Influence of permanent crops in some MS (6 % of UAA)*

Farms subject to crop diversification

*Number of hectares of arable land
(compared to Eurostat FSS 2013)*



*64 million ha → 75 % of
the arable land is subject
to crop diversification*

- 25 % of the farms are exempted or outside the DP system*
- 13 % subject to two-crops requirement (10-30 ha)*
- 62 % to three-crops requirement (above 30 ha)*

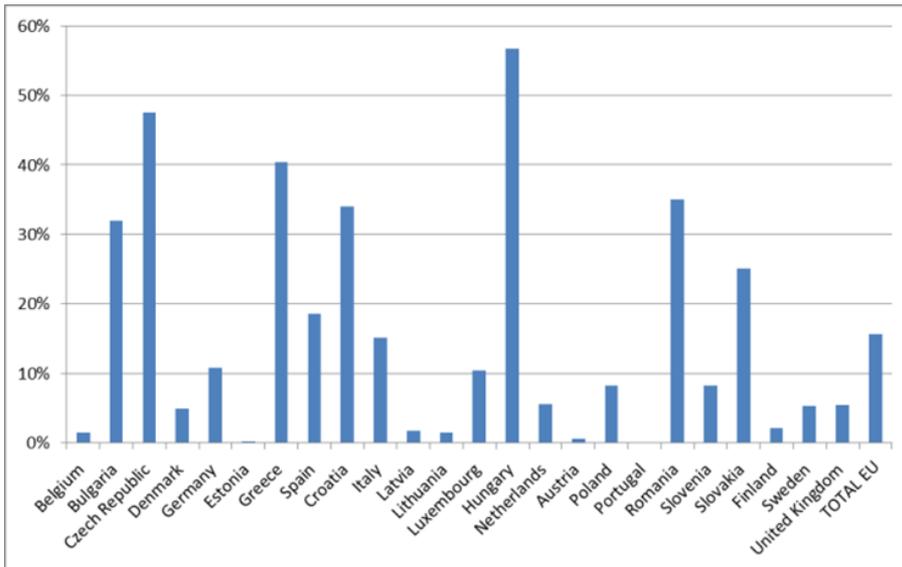
Permanent grassland obligation

Environmentally sensitive permanent grassland (ESPG)

Declared ESPG (in and outside Natura 2000) compared to permanent grassland under PG ratio: 16%

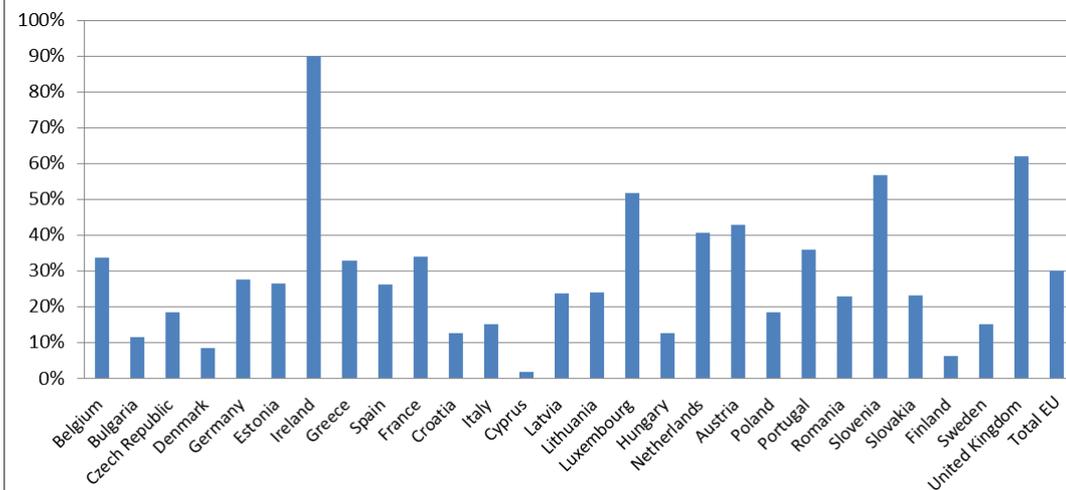
Designated ESPG in Natura 2000: 75 % of total PG in Natura 2000

Declared ESPG in Natura 2000: 40 % of total PG in Natura 2000



Maintenance of permanent grassland (PG ratio)

- **30 %** of the total agricultural area
- **IE and UK (Northern Ireland, Scotland and Wales): around 90 %**
- **CY, FI, DK and MT: less than 10 %**



Exemptions and equivalence

SMALL FARMERS SCHEME (CATS 2015 data)

- **15 MS** chosen the option for small farmers
- **2,9 million (50 %)** in terms of number of farmers in DP (15 MS)
- **7 %** of the EU utilised agricultural area (15 MS)
- Average area **2,2 ha**
- SFS applicants represent between 3% (SI) and 90% (MT) of applicants.
- The area covered by SFS go from 0.5% in DE to 71.2% of total DP area in MT.

ORGANIC FARMS

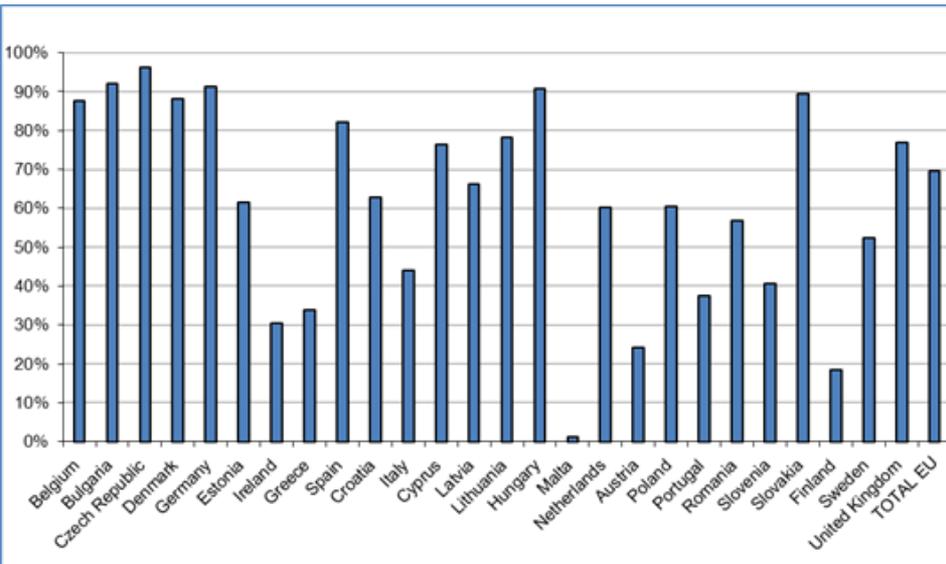
- **1 %** in terms of number of farmers
- **4 %** of the total utilised agricultural area.
- **6 %** of the permanent grassland
- CZ, EE, IT, LV and AT: total UAA above 15 %

EQUIVALENCE 2015-2016

- 8 Member States (4 CS – 4 AECM): FR – IE – IT (region Marche) – NL – AT – PL – PT – UK (Scotland)
- Mostly with agri-environmental and climate measures (especially in AT)
- 2 % of the farmers - 6% of the UAA
- In UK Scotland all farms applies the certification scheme on PG

Farms subject to EFA obligation

Arable land area subject to EFA obligation in 2015 / Total arable land: **70 %**

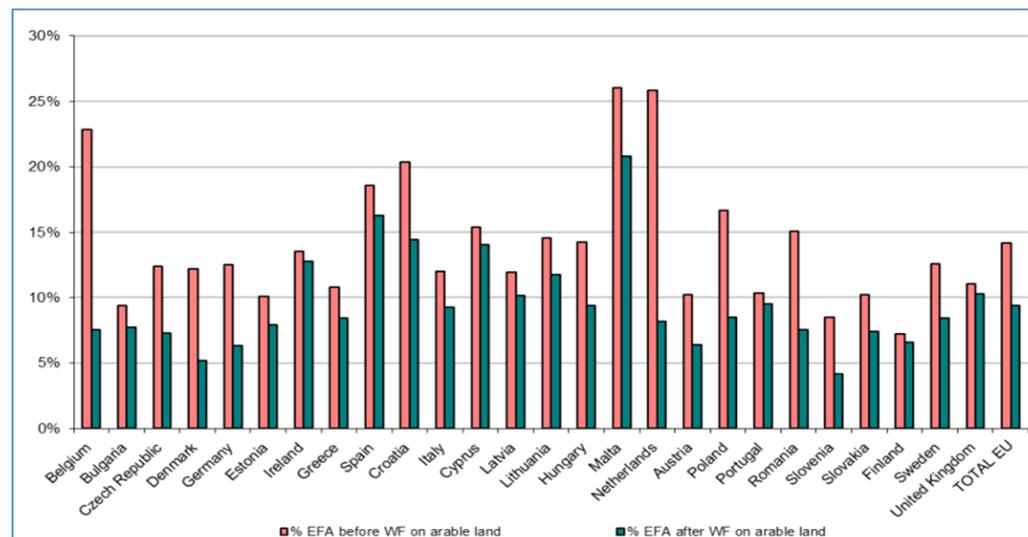


EFA area / Arable land area under EFA obligation :

- EFA Area before weighting factors: EU average **13 %**
- EFA Area after weighting factors: EU average **10 %**

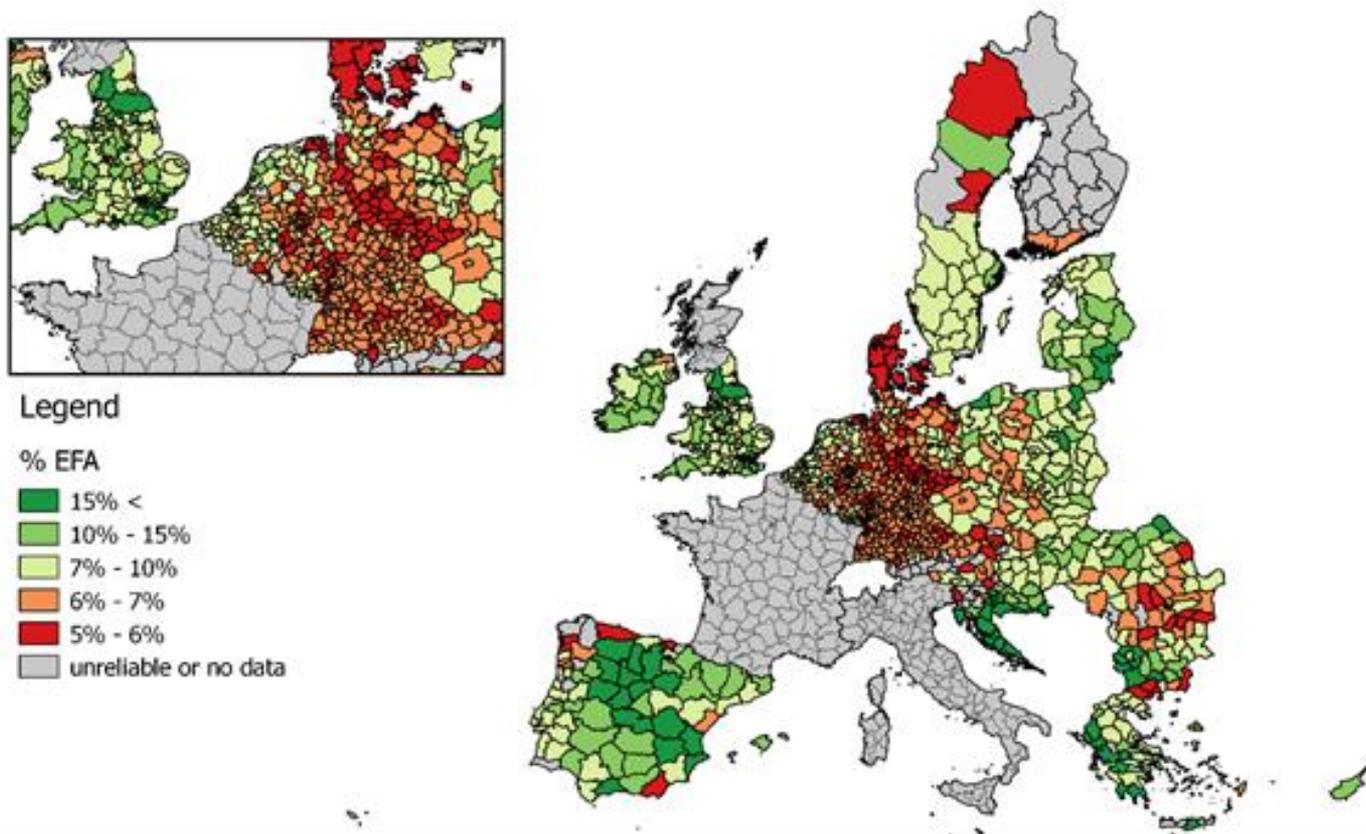
2015 Absolute EFA area: **8 million ha** slightly increased in 2016

Concentrated in the 4 MS with highest arable land area (ES 1.7 Mha – DE 1.3 Mha – PL 0.9 Mha – RO 0.7 Mha) which account for 58% of the EU EFA area



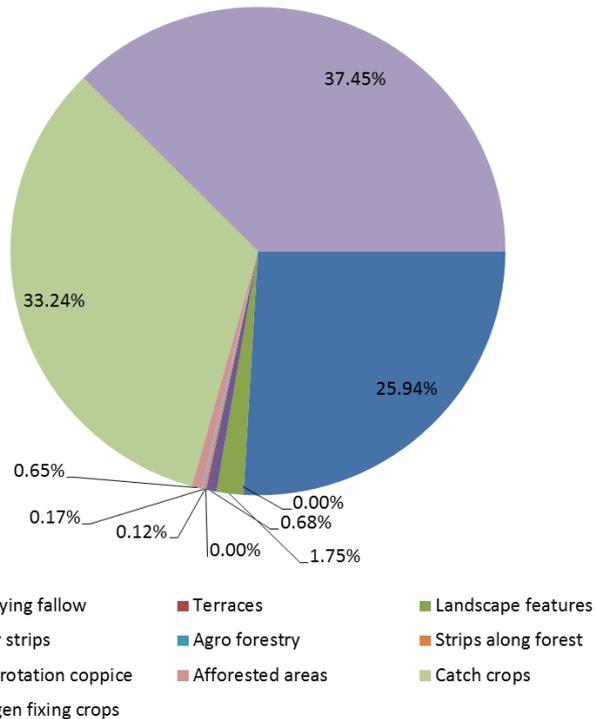
Regional distribution of EFA

Implemented EFA share of arable land in the NUTS 3 regions

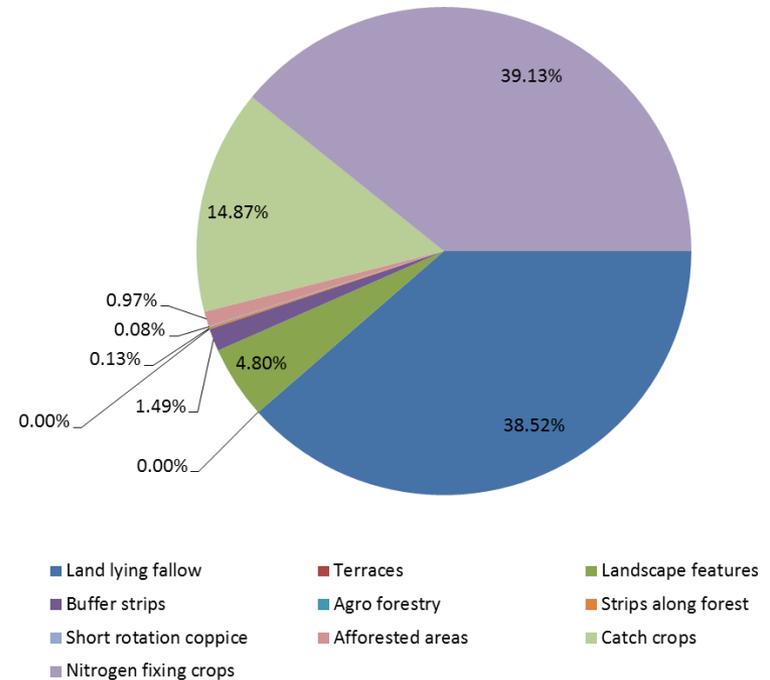


Composition of EFA obligation per EFA type – EU level

Before weighting factors

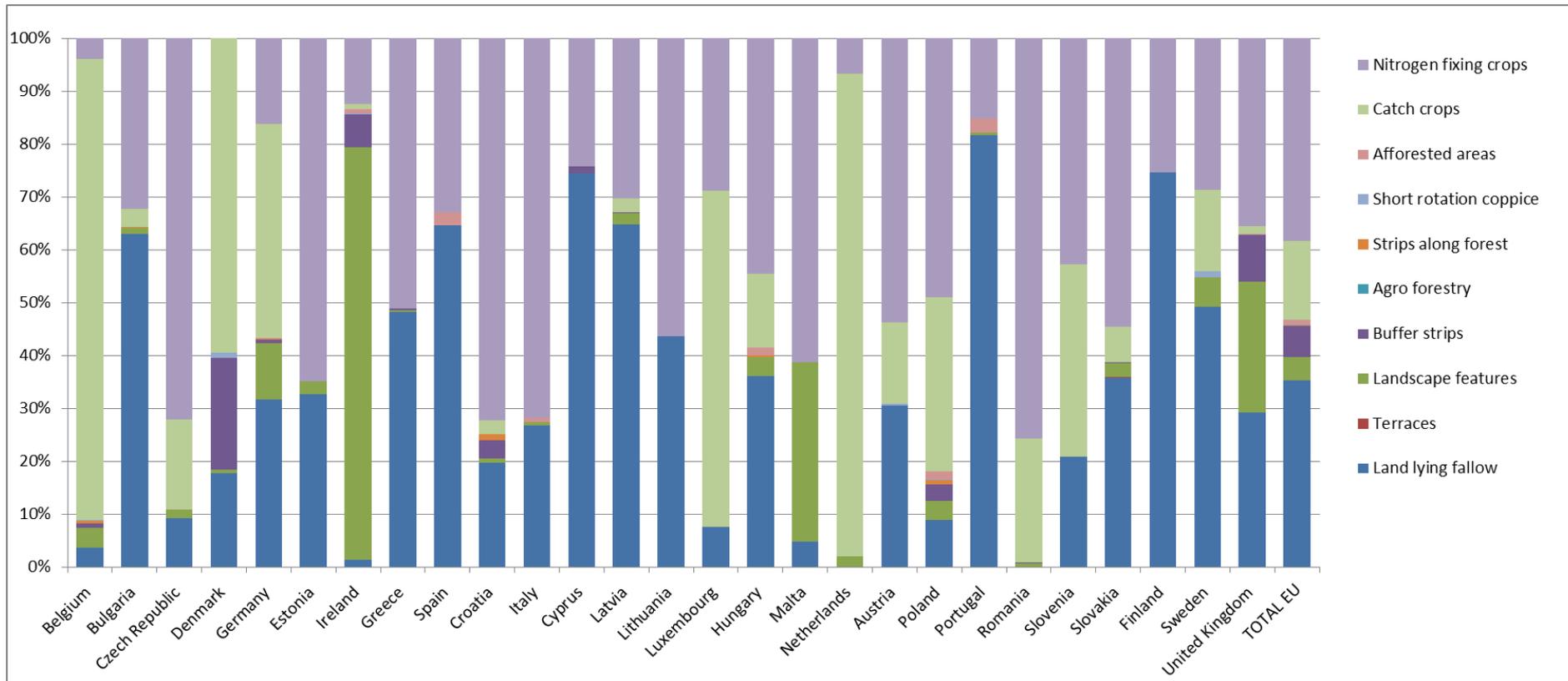


After weighting factors

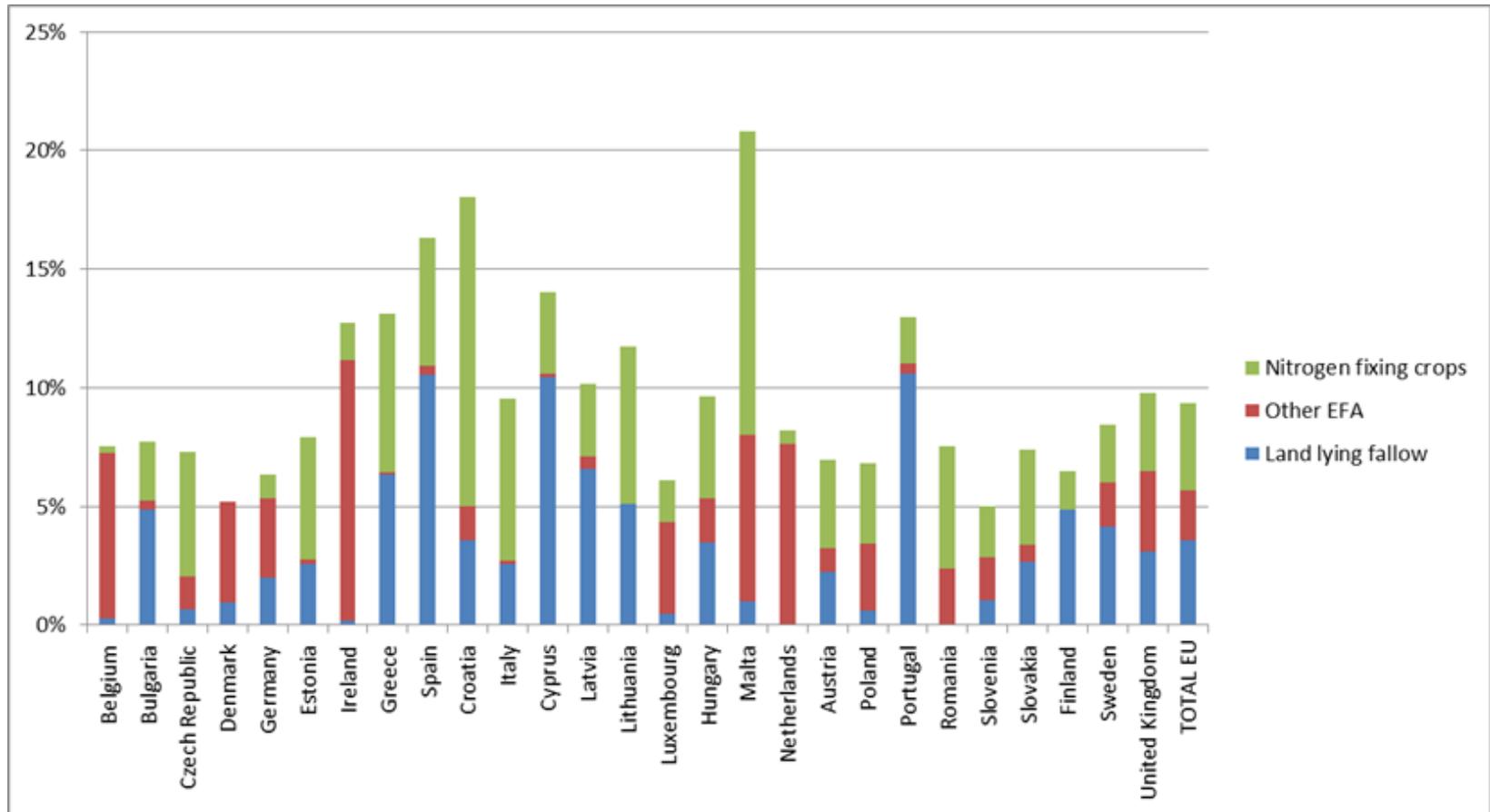


- Great prevalence of LLF – CC – NFC: 92% on total EFA after WF

Composition of EFA obligation per EFA type (after weighting factor)



EFA by MS and EFA type (2015 - confirmed by 2016 data)



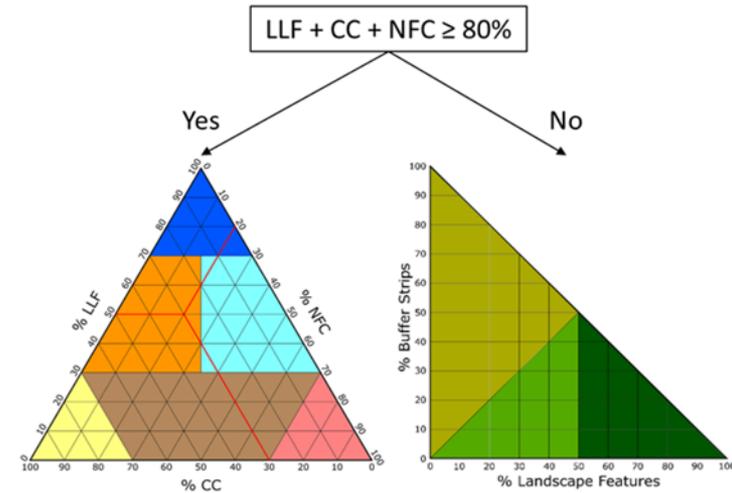
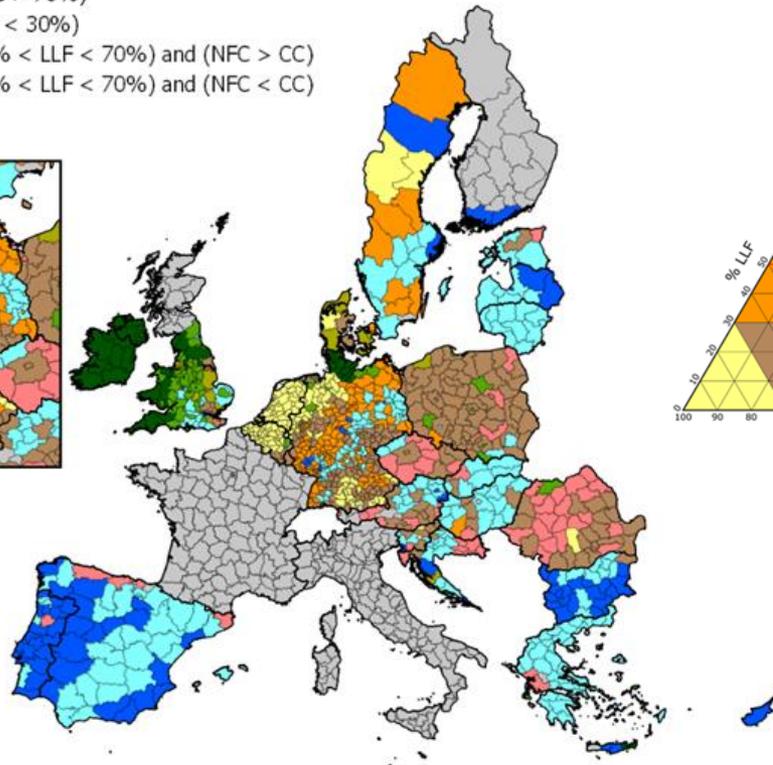
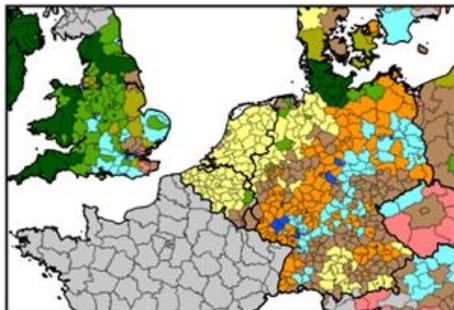
NUTS 3 regions classification

Legend

Categories of EFA types declared

- 1. (LLF+CC+NFC < 80%) and (LF > 50%)
- 2. (LLF+CC+NFC < 80%) and (BS < LF < 50%)
- 3. (LLF+CC+NFC < 80%) and (LF < BS < 50%)
- 4. (LLF+CC+NFC > 80%) and (LLF > 70%)
- 5. (LLF+CC+NFC > 80%) and (CC > 70%)
- 6. (LLF+CC+NFC > 80%) and (NFC > 70%)
- 7. (LLF+CC+NFC > 80%) and (LLF < 30%)
- 8. (LLF+CC+NFC > 80%) and (30% < LLF < 70%) and (NFC > CC)
- 9. (LLF+CC+NFC > 80%) and (30% < LLF < 70%) and (NFC < CC)
- Grey: No data

Categorisation of MS and NUTS 3 regions based on 2015 implementation data



Trends 2015-2016

- Key figures for 2015 confirmed

Indicator	2015 SWD	2015 EFA report	2016
Farmers subject to greening	36 %	35 %	37 %
Agricultural areas subject to greening	72 %	75 %	77 %
Arable land subject to crop diversification	75 %	75 %	76 %
Ratio of permanent grassland (PG / total agricultural area)	29 %	30 %	30 %
Arable land subject to EFA	68 %	70 %	69 %
EFA areas before weighting factor	14 %	13 %	15 %
EFA areas after weighting factor	9 %	10 %	10 %

March 2017 report on EFA implementation

Context and purpose of the report

- Adopted 29th March 2017
- Legal obligation to report on EFA implementation
- Overview evaluation of first 2 years' implementation
- Preliminary view of potential environmental impacts
- Consider whether to increase EFA from 5% to 7%

Context and purpose of the report

- Updates and expands 2016 Greening Review
- Will contribute to:
 - evaluation of greening (including environmental benefits of EFAs) to be finalised by end of 2017
 - 2018 Report on CAP monitoring and evaluation

EFA objective

- to safeguard and improve biodiversity on farms
- motivated by need to address environmental pressures linked to farming practices:
 - biodiversity
 - also soil, water and climate

EFA obligation

EFAs can take various forms: e.g. fallow land, field margins, hedges and trees or buffer strips -> **direct biodiversity benefits**



Some productive areas: e.g. Nitrogen Fixing Crops (NFC) and Catch crops (CC) -> **indirect biodiversity benefits (input reduction)**



Potential benefits of EFAs

➤ Biodiversity



➤ Ecosystem services (pollination, pest and disease control, chemical condition of freshwater, soil erosion)



Potential environmental effects assessed based on :

- a study by the Commission's Joint Research Centre (JRC)
- Literature review

Potential benefits of EFAs

Benefit depends on the type of EFA

- **highest biodiversity** and **ecosystem services** potential:
 - **landscape features**
 - **land lying fallow**
- **lowest potential:**
 - **where catch crops predominate**

Potential benefits of EFAs

- **Positive impact** depends on **management requirements**:
 - ❖ type of soil cover for land lying fallow, different mixtures of crops for catch crops;



- ❖ cutting regimes, retention periods and the use of chemical inputs;



- ❖ the diversity of vegetation for landscape features.



Way forward

Changes to greening legislation introduce **simplification** and **management practices** such as:

- **retention periods** for fallow land and catch crops
- ban on the use of **plant protection products**

The Commission does not see a reason to increase EFA from 5% to 7%

Greater environmental benefits would come from **shifts in farmers' choice of EFA type**

Further evaluation on the impact of the greening The greening evaluation

- A specific evaluation of greening started in end of 2016 and will be finalised by end of 2017 / beginning 2018 → it will provide a full picture of the greening impact according to a number of evaluation questions.
- This will feed into the broader evaluation of the CAP and the next phase of modernising and simplifying the CAP.



Thank you