

## 11 Measures to make the Common Agricultural Policy (CAP) sustainable.

Associated blog piece: [“EU agricultural policy: A change to destructive funding practices is long overdue”](#),

15 December 2020

### #1 What would make the CAP sustainable?

**The Common Agricultural Policy (CAP) should integrate the objectives from the Farm to Fork Strategy and the European Green Deal, such as increasing the share of organic farming to at least 25% of the EU’s agricultural land by 2030 and reducing the use of pesticides by 50% and fertilisers by 20% by the same date.**

#### What has the Council decided?

The Council is in favour of excluding Green Deal objectives. This is to be achieved by stipulating that only the objectives set out in applicable legislation may be pursued in the CAP. The Green Deal strategies are set out in legally non-binding documents. That means that Member States’ CAP Strategic Plans do not have to be aligned with Green Deal objectives. (Source: Article 106(2), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

#### What has the European Parliament decided?

The European Parliament (EP) is proposing an independent assessment of the impact of all the national CAP strategic plans. The Commission would then request Member States to modify their CAP Strategic Plans if they fall short of the ambition of the European Green Deal. However, it is up to the Member States to take these recommendations into account. (Source: Amendments 987 and 1335, Article 127, paragraph 1 a and paragraph 2, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### #2 What would make the CAP sustainable?

**The budget for eco-schemes must be set at a minimum 30% of funding under the pillar to avoid undercutting the funding level for the period 2013-2020.**

#### What has the Council decided?

Only 20% of the Pillar 1 budget is to be ringfenced for eco-schemes. If the allocation of funding for environmental measures under Pillar 2 exceeds 30%, the surplus may count towards the funding of eco-schemes under Pillar 1. This means that in practice, the 20% budget for eco-schemes can be undercut. (Source: Article 86, paragraphs 6 a, 6 b and 6 c, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **What has the European Parliament decided?**

30% of direct payments for the period 2023 to 2027 must be spent on eco-schemes. “Boost schemes” will be introduced, mainly to increase competitiveness, to be funded from the same budget. (Source: Amendment 1134, Article 86(4c); Amendment 238, Article 28a, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#3 What would make the CAP sustainable?**

**Establish effective environmental criteria for eco-schemes.**

### **What has the Council decided?**

The Council is proposing expanding the scope of the eco-schemes, so that they also contribute to local development in rural areas, the bio-economy and sustainable forestry and to objectives relating to food, health and animal welfare. This means that less money is available to support the specific environmental- and climate-related objectives, as total funding will not be increased. (Source: Article 28(3), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **What has the European Parliament decided?**

Eco-schemes should contribute to the achievement of environmental objectives, **while** maintaining and enhancing the economic performance of farmers (ensure farm incomes, enhance market orientation, increase competitiveness). This will make many environmental measures impossible to implement and reduce the remaining eco-schemes’ protective effect on the environment. (Source: Amendment 1131, Article 28b(1), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#4 What would make the CAP sustainable?**

**Eco-schemes must start from 2023.**

### **What has the Council decided?**

There will be a two-year pilot phase for eco-schemes, which will not become binding until 2025. Funds not disbursed by 2025 do not have to be spent on environmental measures. (Source: Article 86, paragraphs 6 a and 6 b, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#5 What would make the CAP sustainable?**

**Reward Member States if they spend more than the EU minimum on environmental and climate measures.**

### **What has the European Parliament decided?**

The European Parliament has stipulated new limits on the maximum amounts of support provided for agri-environment-climate commitments under Pillar 2. This is to avoid some Member States proceeding more rapidly than the EU average. (Source: Amendment 1133, Article 65(3), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#6 What would make the CAP sustainable?**

**Establish nutrient management, especially for nitrogen, in order to avoid nitrogen surpluses.**

### **What have the Council and the European Parliament decided?**

The use of the nutrient management tool is no longer part of the conditionality, i.e. the basic requirements for farmers receiving direct payments. This means that there will be insufficient data available for effective control and management of nitrogen use. (Sources: Council: Annex III GAEC 5; EP: Amendment 1141, Annex III GAEC 5, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#7 What would make the CAP sustainable?**

**Maintenance of permanent grassland in nature protection areas.**

### **What has the European Parliament decided?**

Grassland in nature protection areas may now be converted or ploughed, which will increase CO<sub>2</sub> emissions and weaken the protection of grassland and its habitat function, along with the species that depend on it (Source: Amendment 1141, Annex III, GAEC 10, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#8 What would make the CAP sustainable?**

**Rewetting of drained wetlands and peatlands, conservation of carbon-rich soils.**

### **What has the Council decided?**

Minimum protection for wetlands and peatlands to come into effect no later than 2025. Minimum requirements to be established by Member States. (Source: Annex III, GAEC 2, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **What has the European Parliament decided?**

In addition to protecting wetlands and peatlands, support should be provided for maintaining and enhancing existing wetland and peatland areas. This may also apply to drained wetland, creating scope to support continued drainage activities. As this is the largest source of greenhouse gases in the agriculture sector, however, the protective effect is thus reversed. (Source: Amendment 1141, Annex III, GAEC 2, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#9 What would make the CAP sustainable?**

**Encourage Member States to exceed the minimum nature conservation and climate action commitments set out in the CAP.**

### **What has the European Parliament decided?**

The original provisions allowing Member States to define additional environmental standards that go beyond the minimum standards have given way to a ban on more ambitious standards. (Source: Amendment 1128, Article 12(2), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#10 What would make the CAP sustainable?**

**Extend the minimum percentage of the non-productive area in the interests of biodiversity. Scientists are calling for a minimum 10%.**

### **What has the Council decided?**

Each farm should set aside a 5% minimum share of arable land as non-productive areas or for retention of landscape features. However, certain productive uses (catch crops or nitrogen-fixing crops, cultivated without plant protection products) are permitted on these non-productive areas. If Member States establish a requirement that these areas are to be taken out of use, the minimum share of arable land per farm is reduced to 3%. (Source: Amendment 1141, Annex III, GAEC 9, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **What has the European Parliament decided?**

The area taken out of productive use and areas where no pesticides and fertilisers may be applied will amount to just 5% of arable land rather than being based on total agricultural area. This greatly reduces the total area in absolute terms because grassland, for example, is no longer included. (Source: Amendment 1141, Annex III, GAEC 9, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

### **#11 What would make the CAP sustainable?**

**Close loopholes for environmentally harmful subsidies, e.g. via coupled income support.**

## **What has the Council decided?**

The Commission proposal includes provisions on coupled income support with no clear restrictions. This form of aid can be used, for example, to support production in the beef and dairy sectors. The Council is in favour of increasing the share of funds that can be used for coupled income support under Pillar 1 by 2% to 13%. No environmental conditionality is envisaged. "Coupled income support" payments are granted as aid to the production of certain arable crops or to livestock farming, without any environmental conditionality applying. (Source: Article 86(5), Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy)

## **Sources**

**Council:** [Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy](#)

**Council:** [Annexes I - XIII, Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy](#)

**European Parliament:** [Proposal for a Regulation establishing rules on support for strategic plans to be drawn up by Member States under the Common Agricultural Policy](#)