

# IFOAM EU congress

The new Common Agricultural Policy proposal – New Delivery Model, policy architecture and organic farming

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# Outline

- Who we are?
- Where do we come from?
- Risk, safeguards and new opportunities in the new proposals
- A long journey ahead

# Who we are?

- A **sustainability** think tank
- Working with stakeholders across EU institutions, international bodies, academia, civil society and industry, our team of policy professionals composed of economists, scientists and lawyers **produce evidence-based research and policy insight**. With over 40-years of experience, we are committed to advancing impact-driven sustainability policy across the EU and the world.
- Strong knowledge and experience on CAP



# Where do we come from?

## Low environmental performance of last CAP greening:

-OVERALL: Flexibility used by Member States for the least ambitious measure for the Environment -> *Member States should be required to justify their implementation choices with reference to environmental needs and priorities and report on progress.*

- Low optimization of the greening choices -> *Greater synergies between the implementation of the greening measures and the agri-environment-climate measure (AECM) should be encouraged.*

*In particular:*

-**Permanent crops out of the scope** -> *Suitable greening practices for permanent crops should be in place*

- **Ecological Focus Areas (EFAs) low performance**-> *The types of EFA permitted and their management rules should be reviewed to ensure they are compatible with delivering environmental outcomes.*

-**Environmentally sensitive permanent grasslands (ESPG)** not well protected -> *all Annex 1 grassland habitats under agricultural use and requiring strict protection under the Birds and Habitats Directives should be designated as ESPG and the designation of ESPG outside Natura 2000 sites should be increased.*

# Future CAP:

*Results oriented, no longer compliance focused*

## **General objectives:**

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

Cross cutting: modernise the sector by fostering and sharing knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging uptake

# Future CAP:



# Comparison between the two models

ISSUE	CURRENT APPROACH (2014-2020)	PROPOSED APPROACH (2021-2027)
<b>Objectives &amp; targets</b>	CAP is evaluated against its general objectives, but MS not required to actively contribute to these. Instead, must comply with detailed P2 spending rules and target key priority areas. No specific objectives have to be met by MS for P1 spending.	MS to draw up single CAP strategic plans covering, both P1 and P2 to deliver agreed contributions linked to CAP specific objectives, based on a needs assessment and MS targets and milestones.
<b>Design of measures</b>	All measures are designed in detail at EU level although many offer choices to MS.	EC define the range of acceptable “intervention types” but MS design and choose the specific interventions.
<b>Scope for MS to select and vary policy instruments</b>	MS choose policy options within P1 (e.g. basic payment calculation, implementation of greening requirements). Some flexibility to shift 15-25% funds between pillars is allowed.	MS would need to justify their choice of interventions to EC, but would have a freedom to determine the details of each intervention. 15% shift between funds between Pillars is allowed.
<b>Minimum spending for environment and climate</b>	P1 greening represents 30% of national envelopes, P2 has 30% minimum spend applying to environmental and climate measures	While minimum spend for P2 applies to environmental and climate measures, there is no minimum spend for the new eco-scheme in P1

# Risks, mitigation safeguards and opportunities

Risks	Mitigation/ safeguards	'potential opportunities'
Increased <b>Subsidiarity</b> /discretion power to MS	<ul style="list-style-type: none"> <li>-Needs assessment</li> <li>-The whole of the CAP strategic plan- <i>including conditionality</i>- will have to be justified and approved by EC</li> <li>- No back-sliding clause</li> </ul>	- More strategic approach to the whole of the CAP (Pillar 1 and Pillar 2)
Cuts in Pillar 2 funding	30% minimum spending in Pillar 2 'better targeted'	New measures in conditionality (rotation, nutrient management + water framework directive and pesticides)
No more ring fencing for environment in Pillar 1	Ecoscheme mandatory for MS	Ecoscheme to help transition to sustainable farming- and organic?
'Common Partnership rules' not applying to the CAP & consultation process not part of approval	'Requirement' to involve environmental authorities	New objective for the CAP on 'societal' expectations



# A long journey ahead....

“ [EC proposal] delivers on the Commission’s commitments in the Communication on The Future of Food and Farming: to modernise and simplify the Common Agricultural Policy, to deliver genuine subsidiarity to Member States to better reflect their particular circumstances, **to ensure a more resilient agricultural sector in Europe, and to increase the environmental and climate ambition of the CAP, including its contribution to climate action.**”

*Phil Hogan, Commissioner for Agriculture and Rural Development*

But for the CAP to effectively help the sector to become more resilient and sustainable, the journey ahead is still long and many changes are needed, **starting with a change in mind-set in agriculture policy thinking, design and implementation.**

Thank you!

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