

# COMMON AGRICULTURAL POLICY post-2020

## The new green architecture

Trieste 08/11/2019

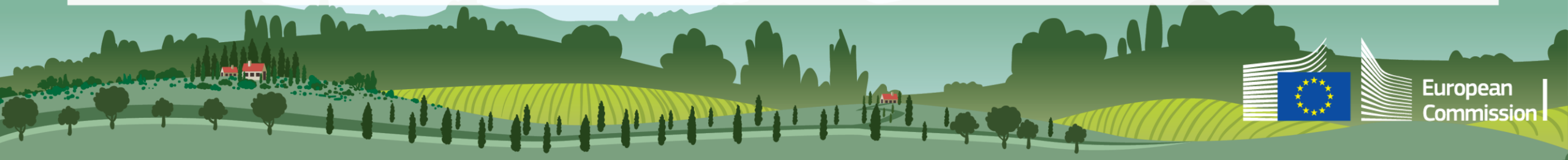
#FutureofCA

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***Disclaimer: This presentation is only intended to facilitate the discussion in the context of the workshop.  
It has no formal interpretative value.***

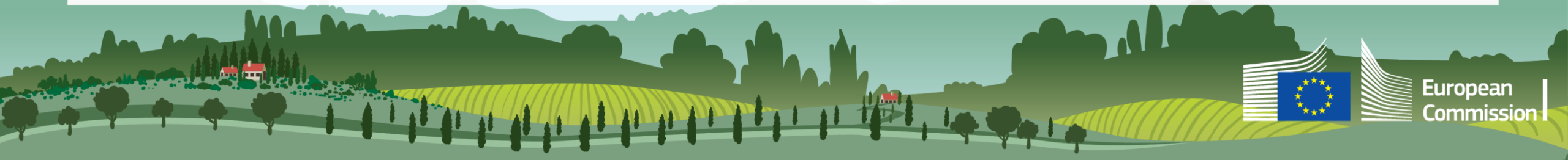
# EU EVALUATIONS AND STUDIES FOR PERIOD 2014-2020

- Mapping and analysis of the CAP implementation (2016): implementation choices
- Greening:
  - Review after one year of implementation (2016)
  - Ecological Focus Areas report (2017)
  - Greening evaluation (2018)
- Impact of the CAP on climate change and greenhouse gas emissions (2018)
- Forestry measures under Rural Development (2017, including agroforestry)
- Analysis of Administrative burden arising from the CAP (2018)
- Evaluation of CAP impact on habitats, landscapes and biodiversity (ongoing)
- Evaluation of CAP impact on water (ongoing)
- Evaluation of CAP impact on sustainable management of the soil (started)



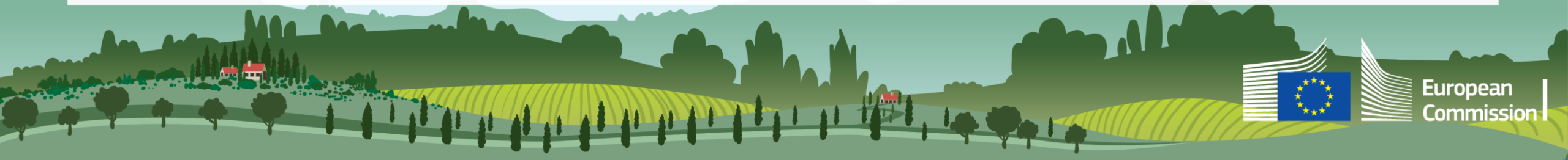
## LESSONS LEARNED

- Administrative and agricultural considerations rather than environment and climate were **major drivers** in the Member States' implementation choices
- Importance of **strategic approach** covering both Pillars and based on (environment/climate) **needs assessment**, improving links with environmental legislation
- Provide for a **broad coverage** of basic requirements (farms, land uses)
- **Simple but well thought measures/interventions** and their combination => lower administrative costs but higher efficiency and effectiveness

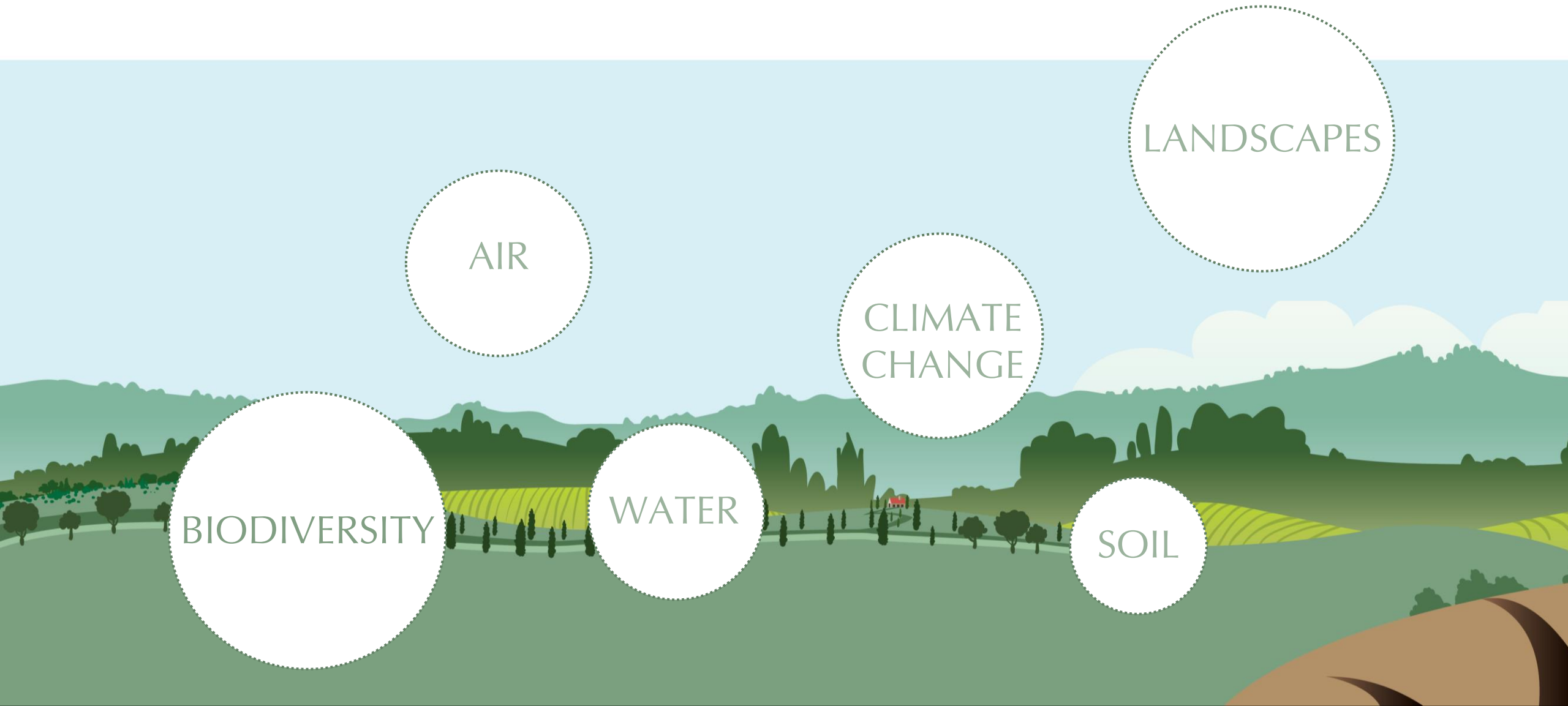


## LESSONS LEARNED

- Critical role of **training and advice** covering environment/climate effects of practices and systems; much needed for new challenges e.g. adaptation
- **Early move towards innovative technologies** and upfront investments in LPIS and IACS pay back in lowering administrative costs
- **Good data availability** necessary for proper monitoring of policy effects



# ENVIRONMENTAL AND CLIMATE CHALLENGES



AIR

LANDSCAPES

CLIMATE  
CHANGE

BIODIVERSITY

WATER

SOIL

# CAP SPECIFIC OBJECTIVES ON THE ENVIRONMENT & CLIMATE

*The essence:*



Climate  
change



Natural  
resources



Biodiversity and  
landscapes

# HOW THE NEW CAP WILL IMPROVE ITS ENVIRONMENTAL AND CLIMATE PERFORMANCE...



MORE CONSISTENT WITH ENVIRONMENTAL LEGISLATION



Provide **synergies** and ensure **environmental results**

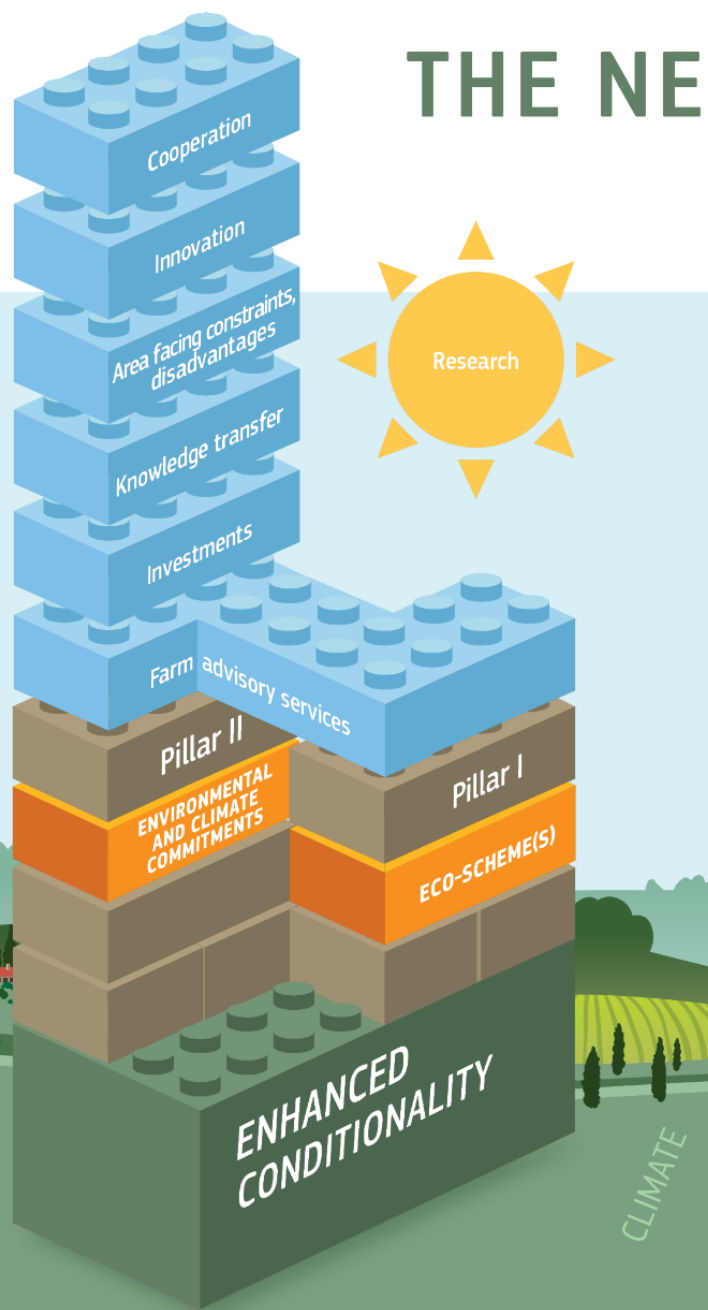
ENHANCED TOOLBOX



Devise the right **mix of voluntary and mandatory measures** adapted to local realities



# THE NEW GREEN ARCHITECTURE



## A JOINED-UP, RESULTS-BASED APPROACH

- MS plan use of **both CAP Pillars together** (including sectorial interventions)
- SWOT analysis, **needs assessment**
- Selection of tools from **flexible toolbox**
- Targets set, **achievements monitored**
- **Consultation with national stakeholders**
- CAP plans **approved by Commission**



# Key steps towards the CAP Strategic Plan

1/ SWOT analysis ← Context (impact) indicators



2/ Identification, prioritisation and ranking of needs

In relation with EU legislation on water, air, biodiversity, climate change, energy and pesticides



3/ Intervention strategy



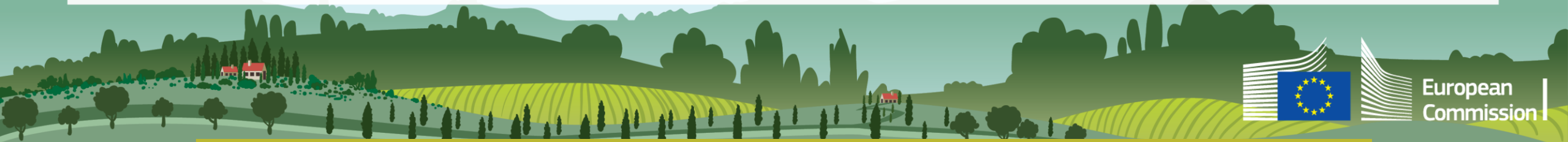
*Setting GAEC standards*



*Selection of the interventions and financial allocations*

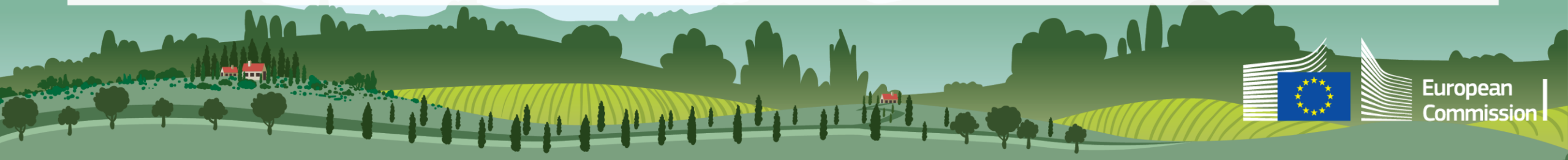


*Targets for result indicators*

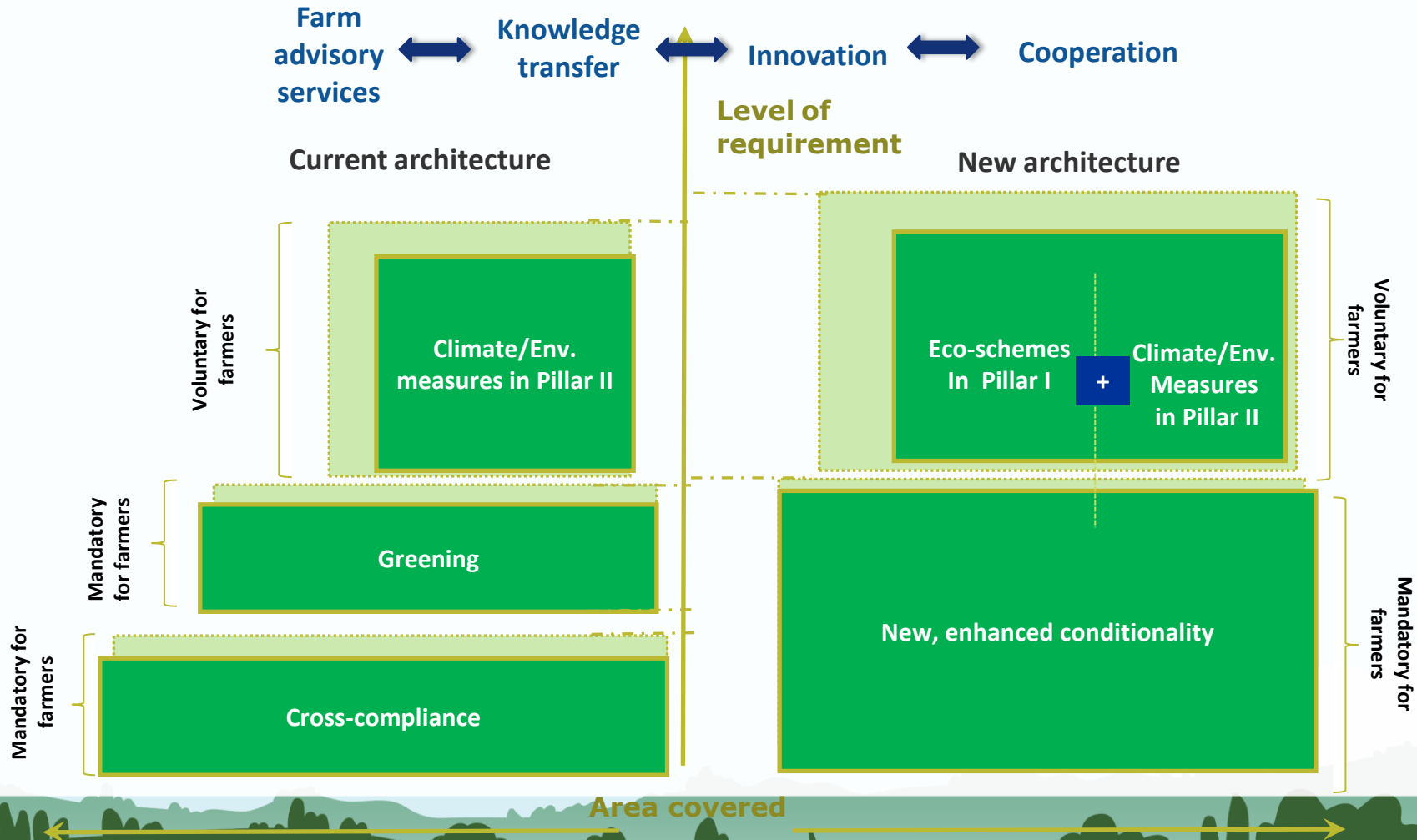


# LINKS TO NON-CAP LEGISLATION ON THE ENVIRONMENT AND CLIMATE

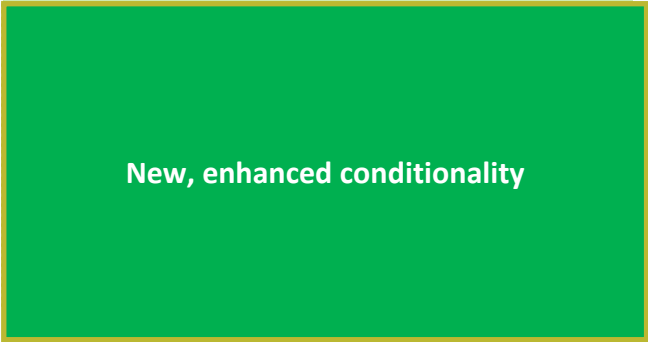
- Link in CAP rules to EU legislation indicated in Annex XI on:
  - climate change
  - water (Water Framework Directive – Nitrate Directive)
  - air (Air quality Directive)
  - biodiversity (Natura 2000 Directives)
  - energy
  - pesticides (Sustainable use of pesticides Directive)
- MS' CAP plans must:
  - take account of analysis, targets from the relevant national action plans etc.
  - make an appropriate contribution to achieving those targets
  - be drafted involving environmental authorities (article 94(2))



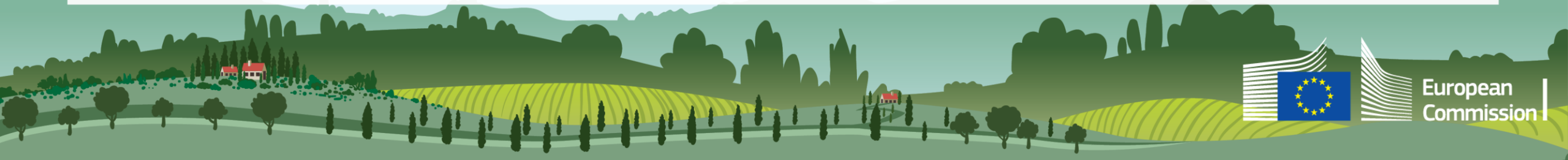
# CURRENT VS NEW GREEN ARCHITECTURE



# CONDITIONALITY: ENHANCED AMBITION



- **Starting point: SWOT** analysis, assessment of **needs** are the **foundation**
- No support scheme but link between CAP payment and respect of the rules;
- **Common set of rules (a baseline for much of the CAP support for environment/climate):** ensuring a minimum level-playing field;
- List of standards/requirements **organised by specific issues** to be addressed (climate change, water, soil and biodiversity and landscape);
- But no “one-size-fits-all” approach: substantial **flexibility** for MS in implementing/designing the practices;
- Commission assesses **implementation choices** in CAP plans.
- **Council working document (WK 4475/2019):** Proposal for a Regulation on CAP Strategic Plans – Fiches on GAECs



# ENHANCED CONDITIONALITY: OVERVIEW



- New elements
- Elements originating in greening
- Reformulated elements
- Elements remaining (more or less) the same

## Environment and climate

### SMRs:

- Birds and Habitats Directives
- **Water Framework Directive**
- Nitrates Directive

### GAEC standards:

- climate change
- water
- soil
- biodiversity and landscapes

## Public, animal and plant health

### SMRs:

- Animal Identification & Registration
- Pesticides authorisation Regulation
- **Directive on the sustainable use of pesticides**
- Hormones ban Directive
- General Food Law
- Notification of diseases

## Animal welfare

### SMRs

#### Directives for the protection of:

- Calves
- Pigs
- Animals kept for farming purposes

## Farm advisory services (embedded in AKIS)

### Conditionality

EU legislation on biodiversity, water, air and use of pesticides

Antimicrobial resistance

Risk management

Innovation support





## ZOOM IN ON CONDITIONALITY: ENHANCED AMBITION



CLIMATE CHANGE  
ACTION

CLIMATE CHANGE (mitigation and adaptation)

- GAEC 1:** Maintenance of permanent grassland
- GAEC 2:** Protection of wetland & peatland **new**
- GAEC 3:** Ban on burning arable stubble



Natural  
resources

WATER

- GAEC 4:** Establishment of buffer strips along water courses
- GAEC 5:** Use of Farm Sustainability Tool for Nutrients **new**

Article 98 - description of the system of conditionality: summary of on-farm practices, territorial scope, type of farmers, justification of main contribution to environment



European  
Commission



## ZOOM IN ON CONDITIONALITY: ENHANCED AMBITION



Natural  
resources

SOIL

(protection and quality)

**GAEC 6:** Tillage management and slope consideration

**GAEC 7:** No bare soil in most sensitive period(s)

**GAEC 8:** Crop rotation (instead of crop diversification)



**PRESERVE**  
LANDSCAPES &  
BIODIVERSITY

BIODIVERSITY

& LANDSCAPE

**GAEC 9:** Share of agricultural land devoted to non-productive areas

**GAEC 10:** Ban on converting permanent grassland in Natura 2000

Article 98 - description of the system of conditionality: summary of on-farm practices, territorial scope, type of farmers, justification of main contribution to environment



European  
Commission

## PILLAR I "ECO-SCHEMES" – THE CONCEPT

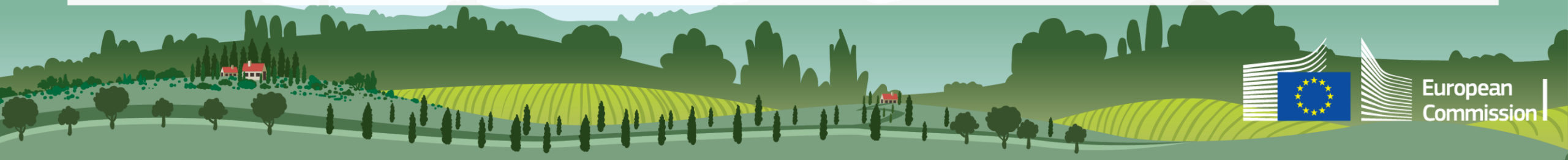
- New way of spending Pillar I funding on the environment and climate (i.e. without co-financing)
- Linked to environmental - climate objectives
- Can be useful to design a scheme that is attractive to a larger number of farmers – and will help achieve a higher level of ambition
- Mandatory for MS, voluntary for farmers
- Target areas in which MS has particular challenges (e.g. emissions or nitrates or biodiversity)

# PILLAR I "ECO-SCHEMES" – THE MANAGEMENT

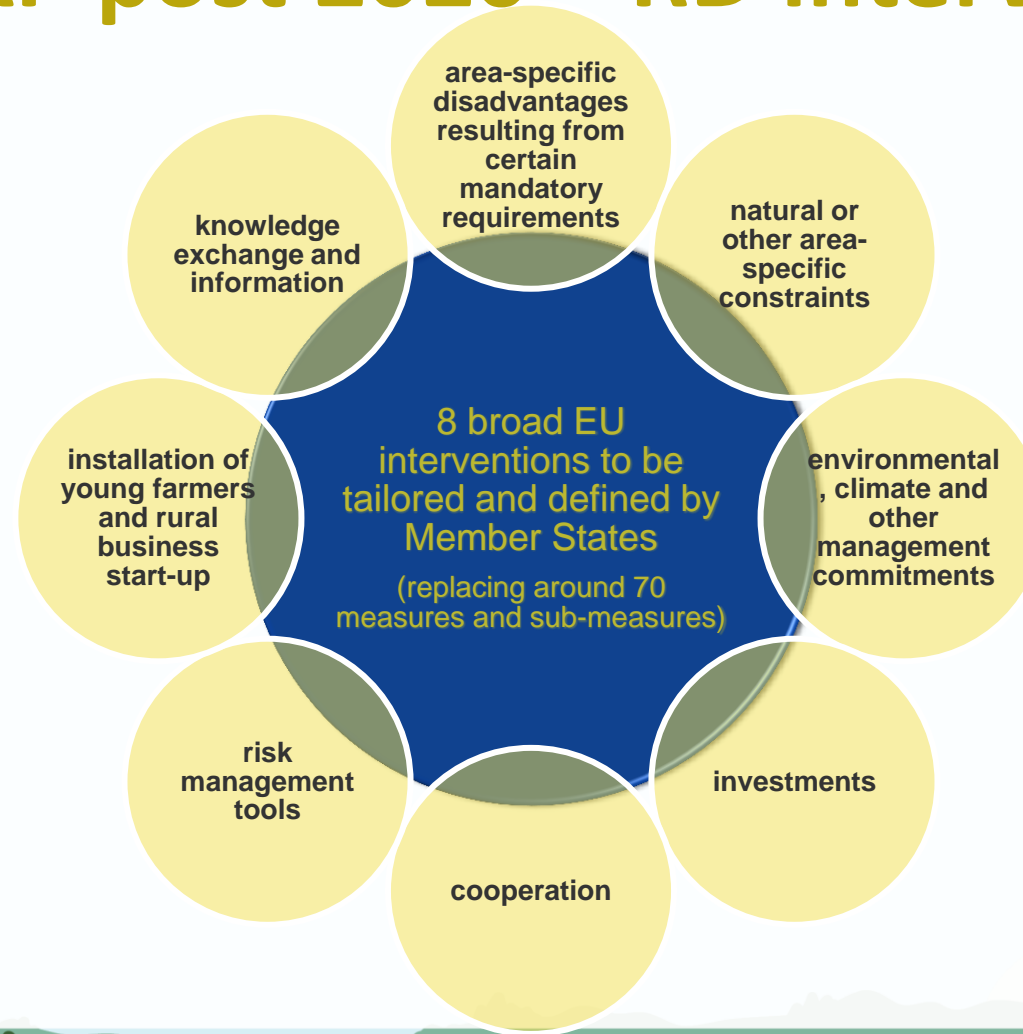
- Annual commitments and payments
- For genuine farmers – on eligible hectares
- Commitments above baseline (SMR – GAEC – requirements national law – maintenance agricultural areas) and different/consistent with RD management commitments
- MS have flexibility over **content** of eco-schemes...
- ...and flexibility over payment – possibility of incentives
  - **environmental “top-ups”** to basic income support;
  - or **compensation payments** based on costs incurred, income foregone

## PILLAR II

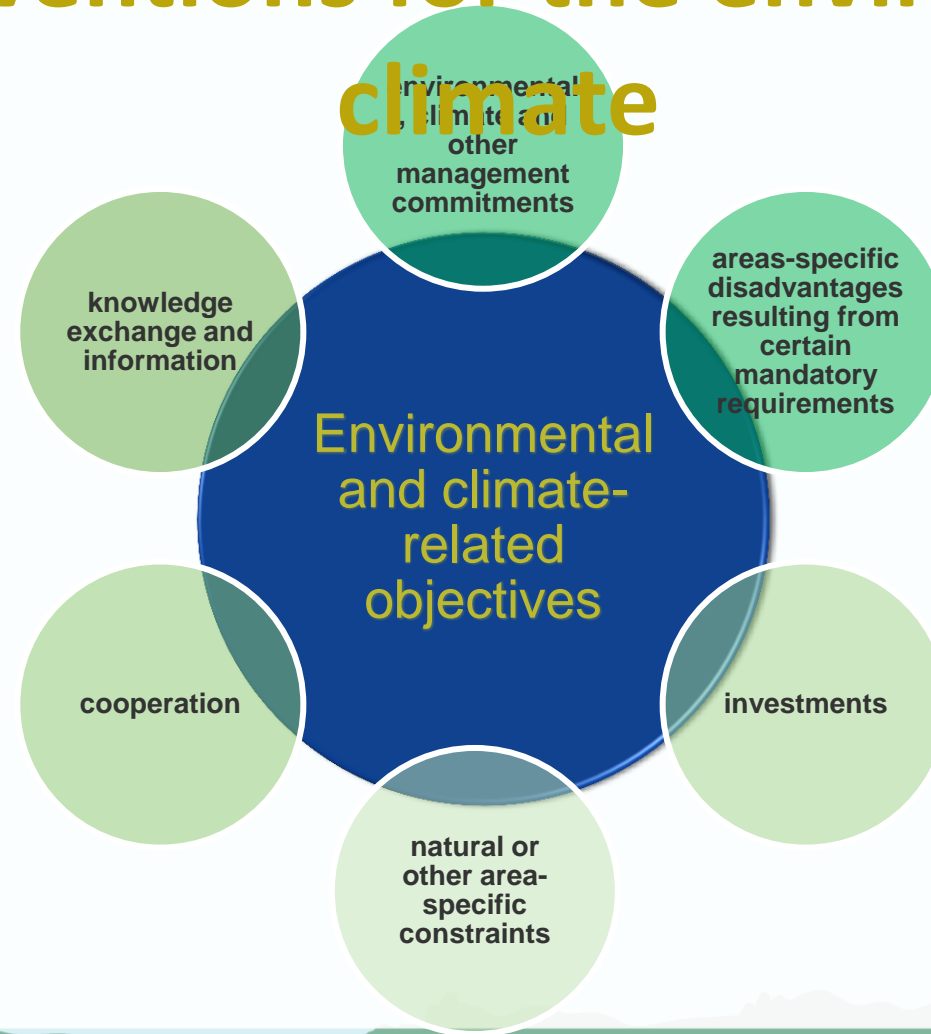
- Full range of relevant Pillar II support remains available...
- Key relevant support types:
  - Payments for management commitments (including agri-environment-climate commitments)
  - Payments to compensate for constraints (natural, or related to Natura 2000 / Water Framework Directive)
  - Support for **investments, knowledge transfer, innovation, co-operation**
- Negative list" for investment support (unsustainable irrigation & forestry)



# CAP post 2020 – RD interventions



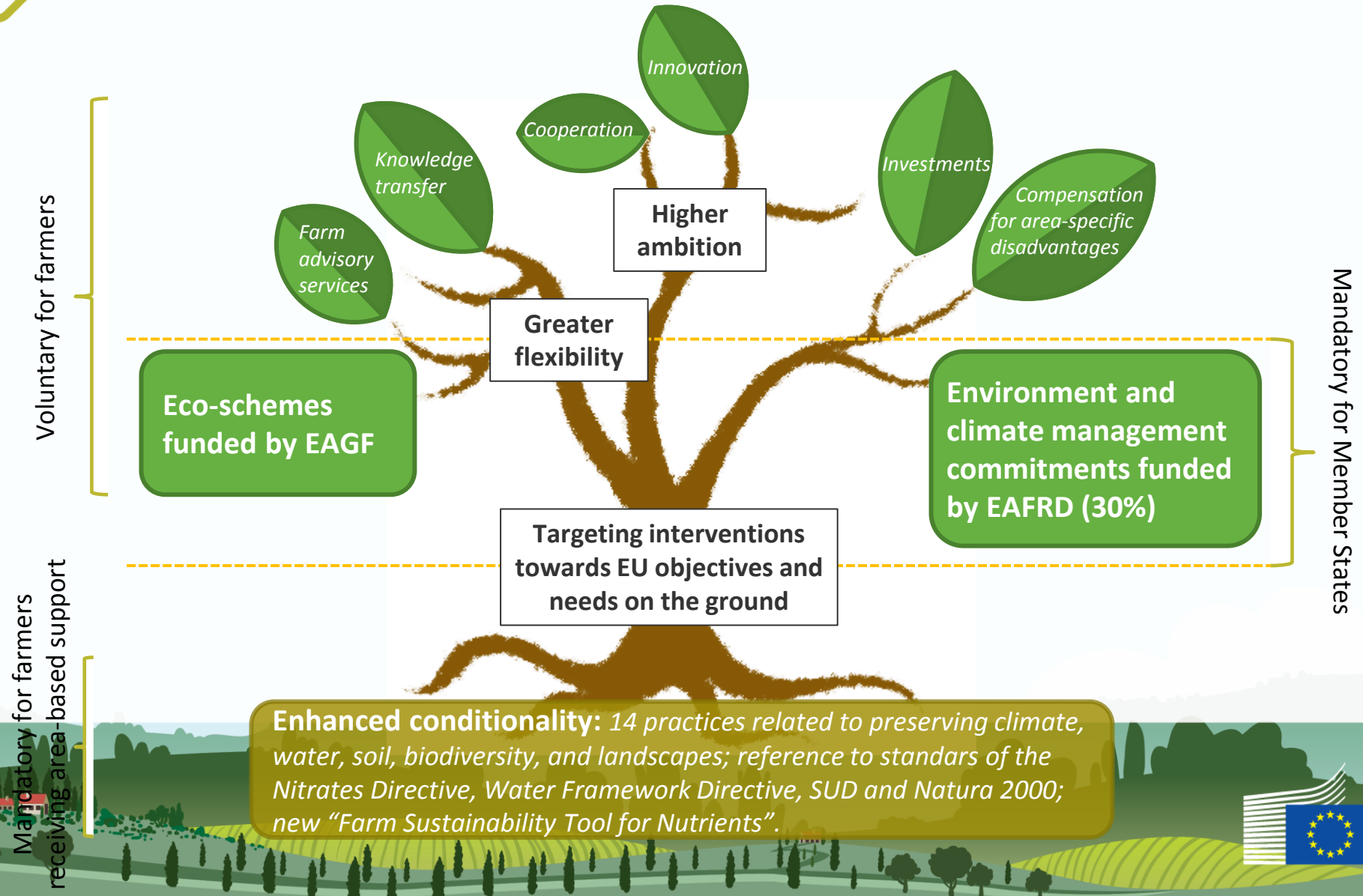
# RD interventions for the environment & climate




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Commission



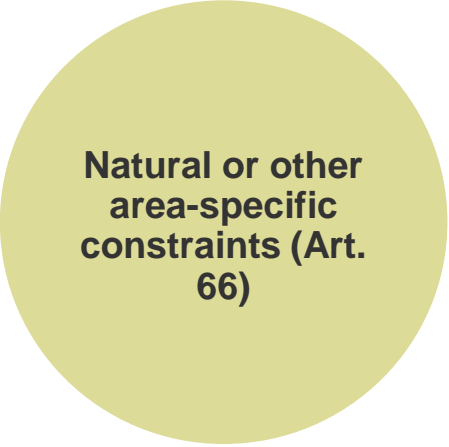
# THE NEW GREEN ARCHITECTURE





Environmental,  
climate and other  
management  
commitments  
(Art. 65)

- ✓ **Covers all management commitments** going beyond mandatory baseline (AECM, Organic Farming, Forestry management, Animal Welfare, Genetic Resources);
- ✓ AECM - the mandatory commitment for MS;
- ✓ Payments calculated on the principle of income foregone & additional costs + transaction cost;
- ✓ Multi-annual nature of most of the commitments;
- ✓ Encouragement for **collective schemes** and **result-based schemes** – enlarging the scale;
- ✓ **Consistency with eco-schemes in Pillar I**;
- ✓ Contribution rate: 80%.



**Natural or other  
area-specific  
constraints (Art.  
66)**

- ✓ Objective: to ensure a fair income and a resilient agricultural sector;
- ✓ Beneficiaries: genuine farmers
- ✓ The designation of 2014-2020 continues to apply;
- ✓ Payments to compensate constraints calculated on the principle of income foregone & additional costs;
- ✓ Option to compensate all or part of those costs and losses
- ✓ Contribution rate: 65%.

Area-specific  
disadvantages  
resulting from  
certain  
mandatory  
requirements  
(Art. 67)

- ✓ Objective: **reinforce synergies with other Union support** for nature and biodiversity;
- ✓ Compensation payments for **mandatory requirements** of Natura 2000 & Water Framework Directive;
- ✓ Limited to the areas designated under those Directives & subject to the specific requirements + the area of "stepping stones";
- ✓ Limited to the **requirements going beyond the baseline**;
- ✓ Payments calculated on the principle of income foregone & additional costs;
- ✓ Option to compensate all or part of those costs and losses
- ✓ Contribution rate: 80%



Investments (Art.  
68)


- ✓ **For all relevant types of investments:** productive & non-productive, on farm & off- farm and **not included on negative list;**
- ✓ Negative list of investments **to ensure the CAP Plan consistency with Union objectives** + level playing field between MS;
- ✓ Negative list includes e.g.: investments in large infrastructure not being part of local development strategies, afforestation not consistent with climate and environmental objectives, irrigation not consistent with the achievement of good status of water bodies;
- ✓ Possible investments: adaptation to climate change, establishment of forest & agro-forestry, energy and water efficiency;
- ✓ Contribution rate: support rate up to 75% but may be increased for non-productive investments, afforestation, basic services & restoration of agricultural & forestry potential.

knowledge  
exchange and  
information (Art.  
72)

- ✓ A cross-cutting CAP objective: exchange of knowledge, innovation, best practical solutions;
- ✓ Covers wide range of interventions linked to knowledge & information provision, exchange, training and advice;
- ✓ Support rate up to 75%; setting-up of farm advisory service up to EUR 200.000
- ✓ **Link to AKIS:** Agricultural Knowledge and Innovation Systems

farm advisory  
service (Art. 13)

- ✓ Objective: to improve the sustainable management and performance (economic, social, environmental) of farms;
- ✓ To provide advice on various issues:
  - Conditionality standards and requirements
  - Requirements of water, nature, pesticides legislation
  - Risk management
  - Practices to fight antimicrobial resistance
  - Innovation, digital technologies etc.



Cooperation (Art.  
71)

- ✓ Objective: to enable setting and implementation of co-operation between at least two entities;
- ✓ **Covers all types of intervention with a co-operation component:**
  - LEADER
  - European Innovation Partnership (OG projects)
  - Producer Organisations
  - Quality schemes
  - Smart Villages
- ✓ Might concern various issues including:
  - joint actions for climate, joint approaches to environmental practices and projects
  - promotion of short supply chain and local markets
- ✓ Costs related to all aspects of cooperation are eligible.

# CAP post 2020 – environmental ambition

**Minimum budget ring-fencing of total EAFRD contribution:**

- 30% for interventions addressing the three environmental/climate objectives excluding the support for ANC
- Higher EAFRD contribution rate (80%) for management commitments, area-specific disadvantages, non-productive investments

**40% of total CAP spending (EAGF + EAFRD) to be relevant to climate change**

- **Coordination and consultation:** involvement of env and climate authorities + stakeholders ;
- **Possibility to enhance synergies with and to fund LIFE projects**

**Art. 92: MS to show greater ambition (in CAP plans) with regard to environment & climate in comparison with current period**

**Link in CAP to EU legislation on water, air, biodiversity, climate change, energy and pesticides (Annex XI)**

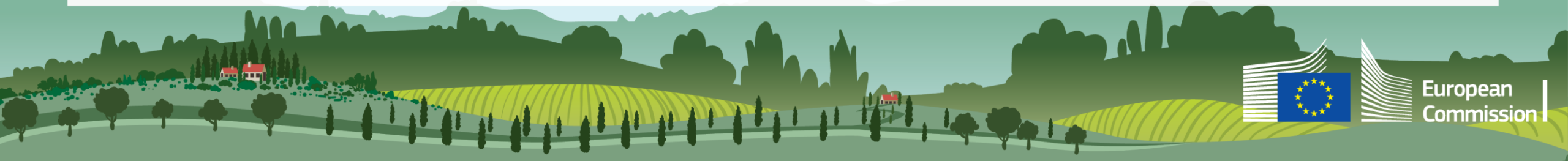
**MS' CAP plans showing a contribution to achieving long term national targets referred to EU environmental & climate and relevant action plans**

**Whole CAP" approach/green architecture: conditionality + environment-relevant Pillar I and Pillar II interventions - all planned together in CAP plans**



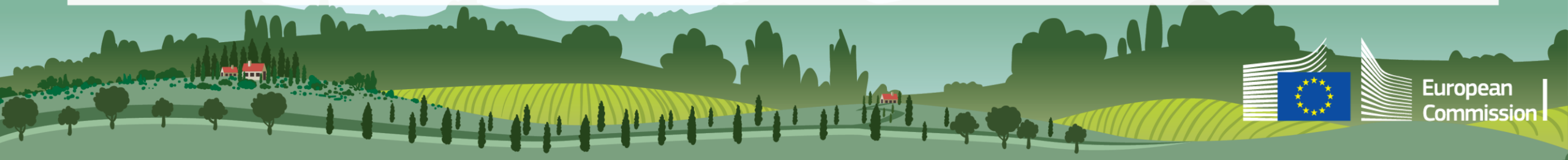
# ECO-SCHEMES (Pillar I) & ENVIRONMENTAL-CLIMATE COMMITMENTS (Pillar II) – recap

SCHEMES FOR THE CLIMATE AND THE ENVIRONMENT – ECO-SCHEMES (ART 28)	ENVIRONMENT, CLIMATE AND OTHER MANAGEMENT COMMITMENTS (ART 65)
Funded by Pillar I (annual, not co-funded)	Funded by Pillar II (multiannual, co-funded)
Payments to genuine farmers	Payments to farmers and other beneficiaries
Payment per hectares eligible to direct payment	Payment per hectares (not necessarily eligible to direct payments)/ animal
Annual (or possibly multiannual)	Multiannual (5 to 7 years or more) and contractual commitments
Compensation for cost incurred/income foregone, or Incentive payment: top-up of basic income support (amount to be fixed and justified by MS)	Compensation for cost incurred/income foregone
<u>Baseline</u> : conditionality + national legislation + area management	



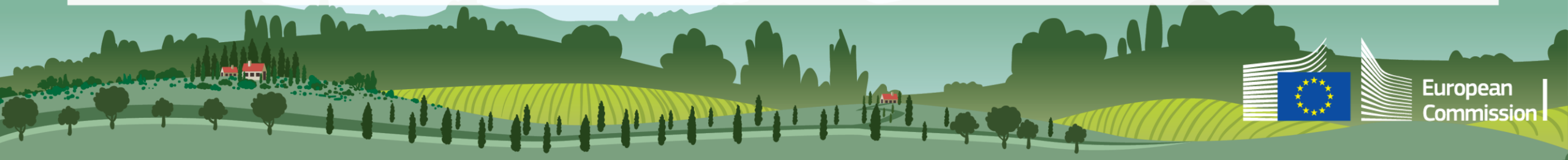
## ECO-SCHEMES & ENVIRONMENTAL-CLIMATE COMMITMENTS - demarcation

- Eco-schemes commitments and environmental-climate commitments **must be different** to avoid double funding and facilitate their implementation
- **No provisions on differences in ambition** between the two instruments – flexibility for Member States
- General rule on **non double funding** in HZR.



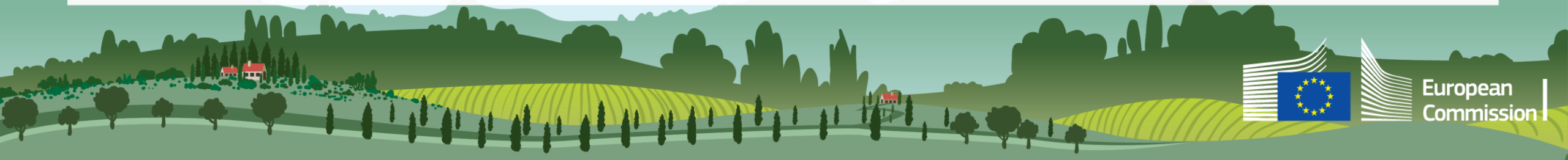
# ECO-SCHEMES & ENVIRONMENTAL-CLIMATE COMMITMENTS - demarcation

- Eco-schemes commitments and environmental-climate commitments must be different – *what does it mean?*
- **Quantitatively different:** parameters (thresholds) showing the level of growing quantitative ambition between different layers of the green architecture e.g. a different size of buffer strips or adding special flower mix on buffer strips
- **Qualitatively different:** where commitments in eco-schemes and in AEC are of different nature but contributing to the same objectives e.g. input reduction and creation and management of wetland.



# NEW GREEN ARCHITECTURE - CONCLUSIONS

- The new green architecture is **good for farmers and the environment**: it provides more opportunities to pay farmers who are willing to provide more public goods
- It **simplifies** delivery of environmental measures: no “one size fits all” approach
- MS can better tailor rules to farmers’ situations, e.g. in the case of:
  - conditionality (compared to greening)
  - types of intervention
- All 3 **elements of the green architecture are important** to reach a higher level of ambition, they work in synergy
- New support possibilities – esp. Pillar I eco-schemes
- Simplification of management, control and sanction systems – including through IT, satellite imagery etc.



# GREENING ANALYSIS

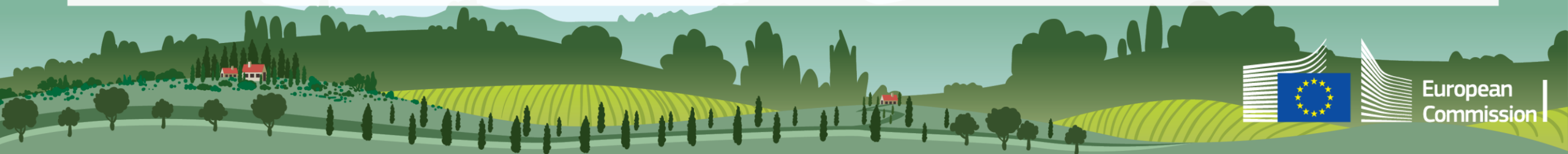
Key underlying legislation – including modifications	Several greening specific processes (analysis, assessment, evaluation)
Regulation (EU) 1307/2013 (basic regulation)	
Delegated Regulation (EU) 639/2014	
	2016: Review of greening after one year of implementation (SEC(2016)218)
Delegated Regulation (EU) 2017/1155 (modifying the delegated regulation)	2017: Report on EFA implementation COM(2017)182
Regulation (EU) 2017/2393 (Omnibus) modifying the basic regulation	
Delegated Regulation (EU) 2018/1784 (modifying the delegated regulation)	<b>2018: Evaluation concerning the greening in direct payments (SWD(2018)478)</b>

+ **Special report No 21/2017 by European Court of Auditors**

<https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=44179>

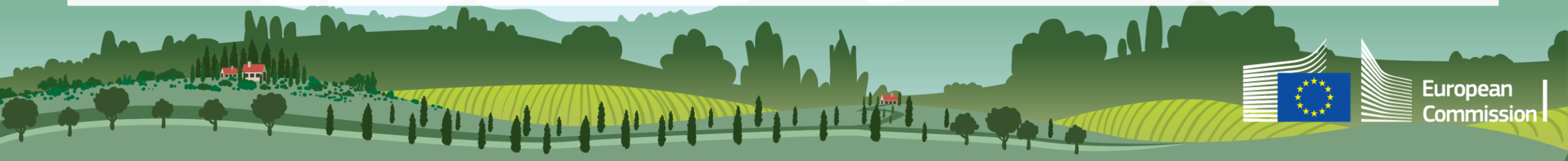
**Underlying evaluation study (by: Alliance Environnement):**

[https://ec.europa.eu/agriculture/evaluation/market-and-income-reports/greening-of-direct-payments\\_en](https://ec.europa.eu/agriculture/evaluation/market-and-income-reports/greening-of-direct-payments_en)



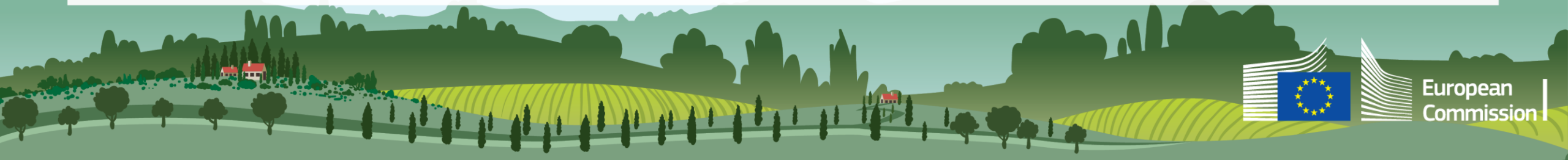
# STUDIES ON ELEMENTS OF THE GREEN ARCHITECTURE

Evaluation	Period	Link
Mapping and analysis of the CAP implementation	Nov 2016	<a href="https://ec.europa.eu/agriculture/external-studies/mapping-analysis-implementation-cap_en">https://ec.europa.eu/agriculture/external-studies/mapping-analysis-implementation-cap_en</a>
Evaluation study of the impact of the CAP on climate change and greenhouse gas emissions	Oct 2018	<a href="https://ec.europa.eu/agriculture/content/evaluation-cap-climate-change-and-greenhouse-gas-emissions_en">https://ec.europa.eu/agriculture/content/evaluation-cap-climate-change-and-greenhouse-gas-emissions_en</a>
Evaluation study of the forestry measures under Rural Development	Nov 2017	<a href="https://publications.europa.eu/en/publication-detail/-/publication/78fe0ba9-2d87-11e8-b5fe-01aa75ed71a1">https://publications.europa.eu/en/publication-detail/-/publication/78fe0ba9-2d87-11e8-b5fe-01aa75ed71a1</a>
Analysis of Administrative burden arising from the CAP	Nov 2018	<a href="https://ec.europa.eu/agriculture/content/evaluation-study-analysis-administrative-burden-arising-cap_en">https://ec.europa.eu/agriculture/content/evaluation-study-analysis-administrative-burden-arising-cap_en</a>



# NEW GREEN ARCHITECTURE - CONCLUSIONS

Evaluation	Period	Link
EU farm policy – evaluation of its impact on habitats, landscapes and biodiversity	Ongoing	<a href="https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-5223823_en">https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-5223823_en</a>
EU farm policy – evaluation of its impact on water	Ongoing	<a href="https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-5223861_en">https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2018-5223861_en</a>
EU farm policy – impact on sustainable management of the soil	Started	<a href="https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2019-3760776_en">https://ec.europa.eu/info/law/better-regulation/initiatives/ares-2019-3760776_en</a>



## OTHER AVAILABLE SOURCES

**Study on risk management**

[https://ec.europa.eu/agriculture/external-studies/2017-risk-management-eu-agriculture\\_en](https://ec.europa.eu/agriculture/external-studies/2017-risk-management-eu-agriculture_en)

**Study on plant protein sector**

[https://ec.europa.eu/agriculture/external-studies/plant-protein-report-nov-2018\\_en](https://ec.europa.eu/agriculture/external-studies/plant-protein-report-nov-2018_en)

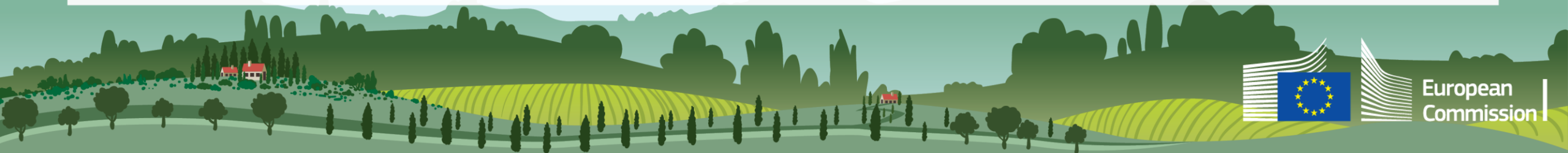
**Impact assessment workshops (risk management, environment, food, socio-economic)**

[https://ec.europa.eu/agriculture/events/cap-have-your-say/workshops\\_en](https://ec.europa.eu/agriculture/events/cap-have-your-say/workshops_en)

**Lists of evaluations and external studies**

[https://ec.europa.eu/agriculture/evaluation/market-and-income-reports\\_en](https://ec.europa.eu/agriculture/evaluation/market-and-income-reports_en)

[https://ec.europa.eu/agriculture/external-studies\\_en](https://ec.europa.eu/agriculture/external-studies_en)



# Thank you

Further information is available at:

[https://ec.europa.eu/info/files/brochure-environmental-benefits-and-simplification-post-2020-cap\\_en](https://ec.europa.eu/info/files/brochure-environmental-benefits-and-simplification-post-2020-cap_en)

