

PRELIMINARY ASSESSMENT OF THE AGRIFISH COUNCIL AND THE EUROPEAN PARLIAMENT'S POSITIONS ON THE FUTURE OF CAP

23 October 2020



Institute for
European
Environmental
Policy



The Institute for European Environmental Policy (IEEP) is a sustainability think tank. Working with stakeholders across EU institutions, international bodies, academia, civil society and industry, our team of economists, scientists and lawyers produce evidence-based research and policy insight.

Our work spans nine research areas and covers both short-term policy issues and long-term strategic studies. As a not-for-profit organisation with over 40 years of experience, we are committed to advancing impact-driven sustainability policy across the EU and the world.

For further information about us, visit [our website](#) or follow us on [Twitter](#).

On 20 October, the EU's agriculture ministers (AGRIFISH Council) adopted their position, also known as a 'general approach', on the post-2020 Common Agricultural Policy (CAP). That same week, between 20 and 23 October, the European Parliament took a vote on the CAP files.

Both EU institutions are forming their positions on the European Commission's 2018 legislative proposal on the CAP Strategic Plans (COM/2018/392 final), which will pave the way for inter-institutional negotiations between the European Council, the Parliament and the Commission in the coming weeks.

IEEP has conducted a preliminary assessment of the European Council and the European Parliament's positions against the **six essential elements** that are needed for keeping the next CAP's environmental ambition alive.

As shown by our assessment, neither institution has passed the test. Their positions undermine 4 out of the 6 elements, while the other 2 do not contain sufficient safeguards to firmly preserve or build on the environmental and climate proposals put forward by the Commission.

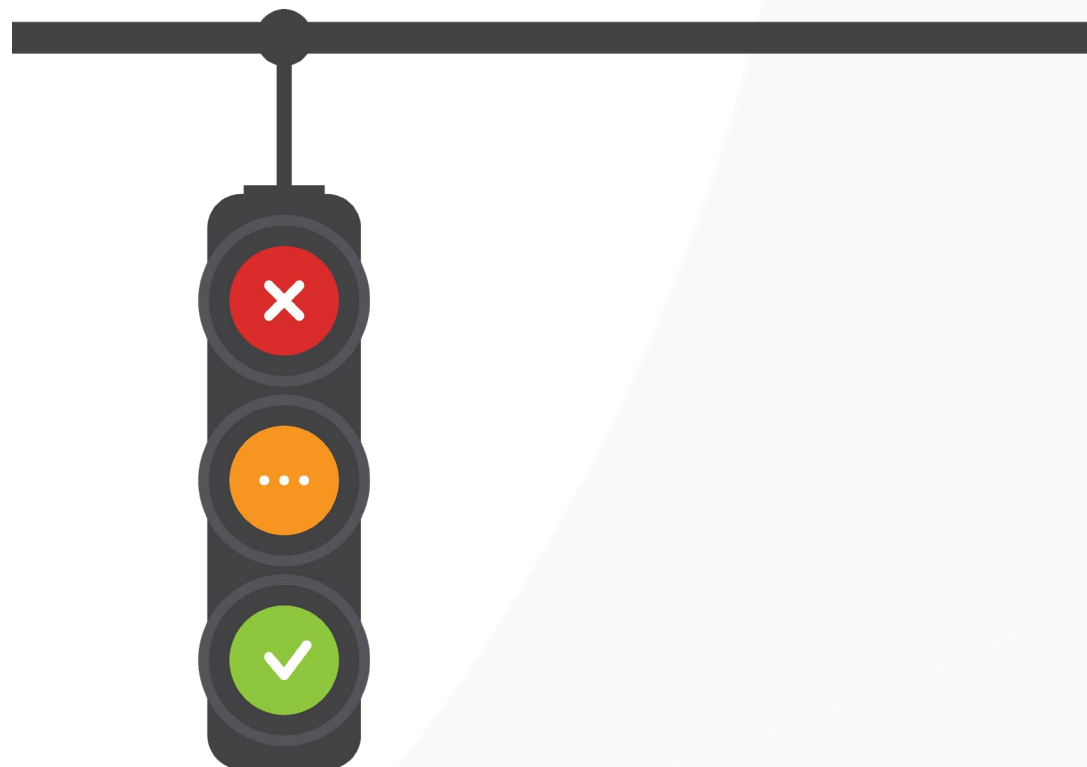


We have used a traffic light system to assess the Council and the Parliament's positions vis-à-vis the six essential elements, with:

Green indicating reference or proposal that shows strong potential or adequately covers the problem area.

Orange indicating that a problem area has been identified but that the position lacks clear or adequate proposals to fully address the issue or has missed an opportunity to improve the original EC proposals.

Red indicating inadequate proposals or a complete lack of recognition of the problem area.



6 essentials to maintain the next CAP's green ambition (IEEP, 2020)	AGRIFISH Council General Approach (20 Oct 2020)	European Parliament Position (20-23 Oct 2020)	→ IEEP's overall assessment
Ring-fencing of funds for eco-schemes	<ul style="list-style-type: none"> • 20% of EAGF ring-fenced for eco-schemes each year, but with flexibilities (see below) • EAFRD spending going over the 30% target could potentially count towards the 20% EAGF eco-schemes ring-fence 	<ul style="list-style-type: none"> • 30% of EAGF ring-fenced for eco-schemes 	Currently 30% of the EAGF is linked to environmental and climate practices (i.e. greening payments). A spending reduction could be a step backwards
Unspent funding for eco-schemes should be used to address environmental objectives	<ul style="list-style-type: none"> • 2-year pilot phase (2023-2024) during which unspent money could be redeployed to other CAP interventions – with an indirect focus on achieving EU environmental and climate objectives 	N/A	Delays the full implementation of eco-schemes and strongly undermines the concept of ring-fencing Pillar 1 spending specifically for meeting EU environmental and climate objectives ¹

Acronyms:

CAP – Common Agricultural Policy
EGD – European Green Deal

F2F – EU Farm to Fork Strategy
EAFRD – European Agricultural Fund for Rural Development

EAGF – European Agricultural Guarantee Fund

6 essentials to maintain the next CAP's green ambition (IEEP, 2020)	AGRIFISH Council General Approach (20 Oct 2020)	European Parliament Position (20-23 Oct 2020)	→ IEEP's overall assessment
<p>Ensuring eco-schemes are ambitious in scope</p>	<ul style="list-style-type: none"> Eco-schemes must contribute to the CAP environmental and climate objectives (e, d, f), but can also address objectives related to employment and growth (h) and societal demands on food and health (i). 	<ul style="list-style-type: none"> Eco-schemes must contribute to the CAP environmental and climate objectives (e, d, f) as well as societal demands (i) specifically animal welfare, whilst maintaining and enhancing farmers' economic performance Practices must cover at least two topics specified in the article Eco-schemes must demonstrate they meet CAP economic objectives² 	<p>Adding an economic objective to eco-schemes will constraint their scope and potentially their environmental impacts.</p> <p>No link is made to relevant European Green Deal (EGD) targets by either the Council or the Parliament. By not making explicit the link between the CAP green architecture and the key EGD targets, there is no legal requirement for the CAP strategic Plans (CSPs) to make an active contribution to the EU's EGD ambitions</p>

6 essentials to maintain the next CAP's green ambition (IEEP, 2020)	AGRIFISH Council General Approach (20 Oct 2020)	European Parliament Position (20-23 Oct 2020)	→ IEEP's overall assessment
<p>Maintaining strong baseline standards through conditionality</p>	<p>Good agricultural and environmental conditions (GAEC) requirements significantly watered-down or deleted. Notably:</p> <ul style="list-style-type: none"> • GAEC 5 - the nutrient management tool is deleted. • GAEC 9 is restricted to arable areas only and its protection level lowered by including productive features (catch crops or nitrogen fixing crops to be grown without pesticides). It applies to 5% of an arable area and to 3% only where catch crops or nitrogen fixing crops are excluded • GAEC 10: proposed ban on ploughing Permanent Grassland (PG) restricted to only some grassland in Natura 2000 areas 	<p>GAEC requirements significantly watered-down or deleted. Notably:</p> <ul style="list-style-type: none"> • GAEC 2: protection of peatland was replaced by a requirement to “maintain” peatland • GAEC 9: applies to arable land only includes productive features (catch crops or nitrogen fixing crops to be grown without pesticides), no specific farm level area requirement • GAEC 10: the proposed ban on ploughing PG removed 	<p>Watering-down and deletion of standards and conditions undermines the fulfilment of basic environmental and climate criteria for all beneficiaries in receipt of CAP funding</p>

6 essentials to maintain the next CAP's green ambition (IEEP, 2020)	AGRIFISH Council General Approach (20 Oct 2020)	European Parliament Position (20-23 Oct 2020)	→ IEEP's overall assessment
Safeguards against spending potentially environmentally damaging (e.g. coupled payments)	<ul style="list-style-type: none"> • 13% of the EAGF can be dedicated to coupled support + 2% for protein crops, with no environmental conditions (e.g. maximum stocking densities for livestock). • Investments in irrigation do not need to be compliant with the Water Framework Directive where an ex-ante environmental assessment has been carried out and approved. 	<ul style="list-style-type: none"> • 10% of the EAGF can be dedicated to coupled support + 2% for protein crops, with no environmental conditions 	<p>Evidence shows that some CAP support, such as coupled support to livestock, result in a net increase in GHG emissions and can lead to environmental damage. The lack of environmental conditions attached to the receipt of this payment means environmental and climate damage can continue to occur</p>

<p>6 essentials to maintain the next CAP's green ambition (IEEP, 2020)</p>	<p>AGRIFISH Council General Approach (20 Oct 2020)</p>	<p>European Parliament Position (20-23 Oct 2020)</p>	<p>→ IEEP's overall assessment</p>
<p>Interventions which count toward the EAFRD contribution to environment and climate must be environmentally robust</p>	<ul style="list-style-type: none"> • 30% of EAFRD budget to contribute to environmental and climate objectives • Support for areas with natural or other specific constraints (ANC payments) will count towards this target 	<ul style="list-style-type: none"> • 35% of EAFRD budget to contribute to environmental and climate objectives • 40% of the support for areas with natural or other specific constraints (ANC payments) will count towards this target 	<p>An increase in the EAFRD minimum spend for the environment and climate is welcome to increase the level of ambition however there is limited evidence of environmental targeting and impacts of ANC payments. Allowing those payments to count towards the minimum spending for the environment and climate therefore seriously risks undermining the environmental and climate benefits.</p>

¹ Solutions are needed that ensure unused money remains targeted e.g. rewarding pre-allocated top-ups to certain types of farmland of environmental importance and farming systems with a proven track record

² Eco-schemes empower Member States to respond to their environmental and climate needs and meet EU objectives. Compelling Member States to implement certain practices shifts the focus back to compliance with legislation rather than delivering results. The principle of public money for public goods is to support environmental and social goods and services that cannot be delivered by markets

Notes:

The AGRIFISH Council's General Approach amends the European Commission's 2018 CAP legal proposal for the CAP Strategic Plans (COM/2018/392 final). The above IEEP assessment compares the AGRIFISH Council's position against IEEP's 6 essentials for keeping the CAP's green ambitions alive which are based on previous analyses of the CAP post-2020 proposals and evaluations of the CAP conducted by IEEP. Further information is available here: <https://ieep.eu/news/the-6-essentials-for-keeping-the-cap-s-green-ambition-alive>

Disclaimer:

The arguments expressed in this report are solely those of the author, and do not reflect the opinion of any other party.

The briefing should be cited as follows:

Meredith, S., Maréchal A. and Bas-Defossez F. (2020) Analysis of the AGRIFISH Council and the European Parliament's decisions on the future of CAP, IEEP.

Corresponding authors: Stephen Meredith (smeredith@ieep.eu), Anne Maréchal (amarenchal@ieep.eu) and Faustine Bas-Defossez (fbas-defossez@ieep.eu)

This document is licensed under the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. You may copy and redistribute the material in any medium or format and you may remix, transform, and build upon the material, as long as you attribute it to the authors and the publishing organisations, and cite the original source for the publication; and provided it is used for non-commercial, educational or public policy purposes.



This work has been produced with the financial support of the LIFE Programme of the European Union. The assessment reflects the views of its authors and does not commit the donors.

References

Meredith S, Hart K, Marechal, A (2020) *The 6 essentials for keeping the CAP's green ambition alive*

Maréchal, A. et al. (2019) *Aligning the post-2020 CAP with the Green Deal*, briefing by IEEP

Hart K and Bas-Defossez F (2018) *CAP 2021-27: Proposals for increasing its environmental and climate ambition*, report for NABU by IEEP