



23.3.2021

## NOTICE TO MEMBERS

**Subject: Petition No 1146/2020 by Gruodyte Kornelija (Lithuanian) on the environmental impact of subsidising industrial farming**

### 1. Summary of petition

The petitioner calls for the EU to support farmers that farm ecologically, noting that the current export-oriented industrial agricultural system supports neither farmers nor EU climate change targets. This would ensure that farmers have secure livelihoods while producing affordable and healthy food.

### 2. Admissibility

Declared admissible on 5 February 2021. Information requested from Commission under Rule 227 (6).

### 3. Commission reply, received on 23 March 2021

#### The Commission's observations

Over the last decades, the Common Agricultural Policy (CAP) has gradually integrated environmental and climatic requirements and concerns in order to promote more sustainable farming practices in the EU. Subsidies to export of agricultural products have been eliminated a long time ago, and CAP payments to farmers have largely been de-linked from specific production. Farmers that receive payments under the CAP are subject to a set of environment, climate and animal and plant health-related obligations (so called “cross-compliance”). In case of a breach of these obligations, CAP payments are reduced depending on the severity of the infringement.

In addition, the CAP provides also a large range of support schemes for farmers willing to apply environmental and climate-friendly agricultural practices.

Providing support to farmers in a targeted way is indispensable to make agriculture a sustainable source of income for farmers, while securing a stable, varied and safe food supply for citizens. Without CAP support the disappearance of farmers, and the process of concentration and intensification, would increase dramatically.

In the Commission's 2018 proposals<sup>1</sup> for the CAP reform, the Commission steps up considerably the ambition to tackle environmental and climate concerns. Three of the nine specific objectives of the CAP post-2020 focus on the environment and climate, supporting the continued transition towards a more sustainable agricultural sector. Overall, 40% of the CAP budget should be climate relevant.

The proposals for the future CAP aim to significantly simplify and modernise the way the policy works, delivering benefits for farmers and society. Each Member State is required to carry out an analysis of its specific needs and then draw up a CAP strategic plan setting out how it proposes to target the CAP funding from both pillars to meet these needs, in line with the European Green Deal<sup>2</sup> and the associated strategies on Biodiversity<sup>3</sup> and Farm to Fork<sup>4</sup>.

To set out their interventions, the strategic plans can combine a set of instruments available under the CAP. The environmental obligations attached to the basic payments are expanded and enhanced, while more types of voluntary schemes dedicated to environmental protection or climate action will be available. Each Member State must develop eco-schemes under the proposed CAP Pillar I to support and/or incentivise farmers to observe agricultural practices beneficial for the climate and the environment, beyond their mandatory requirements. In addition, at least 30% of the CAP's Pillar 2 funding must be spent on climate and environment-related interventions.

Knowledge and innovation are essential for a smart, resilient and sustainable agricultural sector, and the CAP post-2020 will both encourage increased investment in innovation and enable farmers and rural communities to benefit from it. A specific budget of about EUR 9 billion from the Horizon Europe research programme is foreseen for research and innovation in food, agriculture, rural development and the bioeconomy for the period 2021-2027.

To better steer the new CAP process towards the political objectives of the Green Deal, in December 2020, the Commission adopted a series of "recommendations"<sup>5</sup> to each Member State indicating for any of the nine CAP post-2020 specific objective, the national situation and the measures necessary to tackle the problems identified. The recommendations will help the national authorities to prepare the interventions in the future CAP strategic plans. With the recommendations, the Commission encouraged Member States to integrate in the strategic CAP plans measures to contribute to meeting the agriculture-related targets of the Farm to Fork and Biodiversity strategies.

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<sup>1</sup>[https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap\\_en#proposal](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en#proposal)

<sup>2</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

<sup>3</sup>[https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/eu-biodiversity-strategy-2030\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/eu-biodiversity-strategy-2030_en)

<sup>4</sup>[https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/farm-fork\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/farm-fork_en)

<sup>5</sup> COM(2020) 846 final; <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020DC0846>

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Beyond the CAP and its environmental obligations, one should be aware that any farmer is also subject to the European and national environmental legislation aimed at preventing negative impacts on the environment and climate. Member States are responsible for the correct implementation of this legislation, in accordance with their national and local situation. In particular, large farms are subject to an approval process based on the criteria set out in the Industrial Emissions Directive (IED)<sup>6</sup>, among others.

In this respect, the European Green Deal will strengthen various legislative acts, namely the IED itself, the National Emission Ceiling (NEC) Directive on air quality<sup>7</sup>, the Climate Law<sup>8</sup> and a higher greenhouse gas emissions reduction by 2030, together with a set of other initiatives, such as the methane strategy<sup>9</sup>, all contributing to a more sustainable agricultural sector.

### Conclusion

The proposals for the CAP reform will bolster the transition to a more sustainable farming system, while supporting farmers to remain on the land and supporting their positive contribution to the protection of the environment and climate.

The CAP does not grant support to export of agricultural products and has not done so for many years. While CAP payments have little influence on very intensive and large farmers, especially those with no land, they are subject to strict European environmental and climate legislation.

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6 Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) Text with EEA relevance, OJ L 334, 17.12.2010, p. 17–119.

7 Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC (Text with EEA relevance ), OJ L 344, 17.12.2016, p. 1–31.

8 [https://ec.europa.eu/clima/policies/eu-climate-action/law\\_en](https://ec.europa.eu/clima/policies/eu-climate-action/law_en)

9 COM(2020) 663 final; [https://ec.europa.eu/energy/sites/ener/files/eu\\_methane\\_strategy.pdf](https://ec.europa.eu/energy/sites/ener/files/eu_methane_strategy.pdf)