



THE POST-2020 COMMON AGRICULTURAL POLICY: ENVIRONMENTAL BENEFITS AND SIMPLIFICATION

WHAT THE FUTURE CAP WILL BRING TO THE TABLE FOR THE ENVIRONMENT AND CLIMATE - KEY ELEMENTS

1. A needs-based, targeted approach to addressing environmental and climate objectives through the whole CAP in coherence with other EU policies

- Three out of nine of the CAP's objectives to cover the environment and climate
- Assessment of needs, targeting and performance monitoring to cover both CAP "pillars" (direct payments to farmers and support for rural development) in a single plan per Member State, for greater coherence
- New link to other EU legislation on the environment and climate

2. An improved system of conditions ("conditionality") to be met by farmers receiving area- and animal-based CAP payments

- Member States to plan implementation to match overall CAP objectives and national assessment of needs – with approval by Commission
- A small number of new standards, strengthened existing standards

3. A complementary set of (voluntary) tools to be offered to farmers to help achieve the CAP environmental and climate objectives

- A new stream of funding for the environment and climate ("eco-schemes") from the CAP's direct payments budget, mandatory for Member States (but design up to them) and voluntary for farmers
- Continued support from the CAP's rural development budget for environment- and climate-relevant management practices, investments, knowledge-building, innovation and co-operation. Ongoing wide range of support possibilities, with at least 30% of the CAP's rural development budget to focus on activities of most direct value for the environment and climate

1. THE CONTEXT: "EUROPE EXPECTS"

Over the years, the Common Agricultural Policy (CAP) has sharpened its focus on care for the environment and climate – with some success. Among other things, greenhouse gas (GHG) emissions from the EU farm sector fell by 21% between 1990 and 2014, farmers have significantly cut their use of fertilisers while nevertheless increasing yields (a positive development for water quality), and in some respects protection of wildlife habitats has improved.

Nevertheless, very substantial environmental challenges remain. The EU has committed itself to further deep cuts in greenhouse gas emissions; the key natural resources of soil, air and water are still under pressure in many areas; and the available indicators on farm and forest biodiversity still do not paint a rosy picture. The citizens of the EU expect the CAP to make a stronger contribution to care for the environment and climate.

But this is not the only expectation concerning the CAP. Farmers as well as national and regional administrations complain of the policy's complexity in certain respects, and have clearly asked for this load to be lightened.

On 1 June 2018 the European Commission set out proposals for how the CAP should function after 2020. Within those proposals is an explicit commitment to "aim higher" with regard to the environment and climate. At the same time, against that backdrop, simplification has been pursued where possible. This document summarises key aspects of how the Commission's proposal attempts to achieve these aims.



2. THE OVERALL APPROACH: NEEDS ASSESSMENT AND TARGET-SETTING AGAINST COMMON ENVIRONMENTAL AND CLIMATE OBJECTIVES FOR THE WHOLE CAP

2.1. *What's the concept?*

Under the Commission's proposals, better care for the environment and climate will be a core part of the CAP's business.

Three of the policy's nine **"specific objectives"** will concern the environment and climate. These objectives will be as follows:

- contribute to climate change mitigation and adaptation, as well as sustainable energy;
- foster sustainable development and efficient management of natural resources such as water, soil and air;
- contribute to the protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes.

To address these (and other) CAP objectives, each Member State will draw up a **"CAP strategic plan"**. In its plan, each Member State will analyse **the situation on its territory** in terms of **strengths, weaknesses, opportunities and threats (SWOT)** – as well as its **related needs** – in respect of these objectives. It will set quantified **targets** against the objectives and design "interventions" (**types of action**) for achieving them, on the basis of an EU-level menu. The **Commission will approve the plan** when satisfied with its quality. Year-by-year progress against the targets will be **monitored** and the plan will be **adjusted** as necessary. This overall approach will for the first time **apply to both "pillars" of the CAP together**: not only to support for wider rural development (CAP Pillar II) as at present¹, but also to direct income support payments to farmers (part of CAP Pillar I), which take the lion's share of CAP funding.

The focus in this process will of course be on the CAP's own objectives. However, in its plan each Member State will have to show how, in pursuing the CAP's objectives, it will also **make a contribution to achieving the objectives of various items of EU environmental and climate legislation** (on biodiversity, water and air quality, greenhouse gas emissions, energy and pesticides). In addition, when drawing up its CAP plan each Member State will take account of analysis and recommendations for action already made in the framework of that legislation (for example, analysis concerning water quality in lakes, rivers and groundwater). Member States' competent authorities for the environment and climate will have to be "effectively involved" in preparing the environment- and climate-related aspects of the CAP plans.

Finally, an essential part of this framework will be an explicit obligation on Member States to **clearly show greater ambition** than at present with regard to care for the environment and climate.

2.2. *How will this benefit the environment and climate?*

This approach based on objectives, needs assessment and planning – covering both CAP pillars together – will allow Member States to pursue the CAP's environmental and climate objectives with a **much more joined-up and targeted response** than at present. This response will also be **more aligned** with the analysis and objectives arising from **EU legislation on the environment and climate**.

2.3. *Where's the simplification?*

Overall, as the approach outlined above will be focused much more on obtaining results than at present, **the number and level of detail of rules set out for the CAP in EU legislation will be cut substantially**. This shift will offer Member States increased opportunities to implement the CAP in ways that are well tailored to the particular features of their respective farm sectors and rural areas.

¹ The current mechanisms of CAP Pillar II are not completely identical to the approach outlined here but have many elements in common with it.

3. THE FOUNDATION: CONDITIONALITY

3.1. *What's the concept?*

Conditionality is a system of **linkage** between **area- and animal-based CAP payments** (in Pillar I or Pillar II) and a range of **obligations**. When recipients of these payments (mainly farmers, but sometimes other land managers) do not meet the obligations, the payments may be reduced.

These obligations originate either in CAP legislation (in the case of "standards for good agricultural and environmental condition" – GAEC) or in non-CAP directives and regulations (in the case of "statutory management requirements" – SMRs²). All the GAEC standards and some of the SMRs are environmental – concerning climate change, water, soil, and biodiversity/landscapes.

The new system will effectively merge and streamline two elements in the current CAP – known as "cross-compliance" and "greening". These already provide benefits for the environment and climate but are seen as being open to improvement.

3.2. *How will this benefit the environment and climate?*

The new system of conditionality will draw on the content and strengths of the current cross-compliance and greening systems but will make several improvements.

Fundamentally, when a Member State explains how it intends to implement conditionality in practice, in future it will do so within its CAP plan – making clear how its planned approach will **help achieve the CAP's environmental (and other) objectives**, in line with the Member State's SWOT analysis and needs assessment.³

Furthermore, as conditionality is intended to provide a broad "foundational" level of environmental care, it will **cover everyone** who receives area- or animal-based CAP payments – and most of the EU's agricultural area.

Additionally, certain **existing obligations will be adapted** to deliver higher environmental benefits – where there is a clear case for doing so. For example, the current requirement of crop "diversification" (the presence of more than one crop on the arable land of a farm at any one time) will be upgraded to an obligation of crop "rotation".

Finally, **new (GAEC) standards and links with important directives (i.e. SMRs)** will be introduced – again, where it makes clear sense to do so. For example:

- appropriate protection of wetland and peatland will be required, as these are important stores of carbon (which, if released into the atmosphere, would fuel climate change);
- a Farm Sustainability Tool for Nutrients will be made available to farmers – to give them useful recommendations/alerts concerning the application of nutrients on their parcels, thus helping to reduce nutrient leakage and GHG emissions while contributing positively to soil quality (moreover, the recommendations will bring economic benefits by helping to avoid over- or under-fertilisation);
- elements of two important environmental directives will enter the scope of conditionality – the Water Framework Directive and the Directive on the Sustainable Use of Pesticides.

² An example of a non-CAP directive giving rise to SMRs is the "Nitrates Directive", which helps safeguard water quality. Farmers have to respect SMRs in any case, but their inclusion in the system of conditionality creates a link with CAP payments.

³ CAP legislation will also set out more clearly – though in broad terms – the main purpose of each conditionality obligation, to better guide Member States' implementation.

3.3. *Where's the simplification?*

In comparison with the two current systems which it will replace, conditionality will have similarities with the mechanisms of cross-compliance but will be **substantially simpler than greening**.

The EU rules on greening are relatively long, detailed and prescriptive – because they contain not only the essence of the three basic agricultural practices concerned⁴ but also all the detail of how these can be implemented differently in the highly varied circumstances of Member States. This detail includes lists of options, exemptions and numerical values (e.g. in relation to area to be covered by a given practice). The approach was intended to balance the need for common elements with that for a certain flexibility in implementation, but it has nonetheless been criticised for perceived rigidity – and complexity.

By contrast: within the system of conditionality, basic standards will likewise be implemented differently in different circumstances, but CAP rules will not set out the full detail of how this can be done – **individual Member States will have a much greater say in the process**. This will give them the opportunity to **better tailor implementation of the standards to the particular situations of their farmers**. As already stated, any given Member State's planned approach will have to respond to its SWOT analysis and needs assessment – which should make the resultant rules at national/regional level more acceptable to those affected.

In the case of GAEC standards, the EU-level rules will set out the essence of each standard in a very few words – without lists of options, exemptions etc. Member States will decide on the detail of implementation, setting out at least some of this in their CAP plan.

In principle, every GAEC standard will apply to every farmer for whom the standard is relevant (the standard on crop rotation will naturally not apply to farmers with no crops, etc.). However, **Member States may implement a given standard differently for different regions** – according to soil, climate, land use, farming structures etc. Member States may also lay down additional standards to meet the EU's objectives.

In the case of most **SMRs**, Member States have already exercised the power of choice in determining the content of the standards: they did this when deciding how to implement the non-CAP legislation in question.

There will be overall administrative simplification because **two separate systems of rules** (for cross-compliance and greening) – with their own distinct provisions on controls, penalties etc. – will be **replaced by one** (for conditionality).

Finally, strengthened Farm Advisory Services – emphasised by the Commission's proposal – will help farmers follow the rules efficiently.



⁴ Crop diversification, maintenance of permanent grassland, and maintenance of "ecological focus areas"

– i.e. areas suitable for wildlife.

4. ECO-SCHEMES

4.1. *What's the concept?*

Eco-schemes are **payment schemes for care for the environment and climate** which will be funded from Member States' direct payment budgets (in CAP Pillar I). Member States will have to make one or more eco-schemes available (they could operate several if they wish), but farmers will have the freedom to participate or not.

Member States will decide the content of their eco-schemes, as well as how much money to spend on them. The requirements laid down in a given scheme must go beyond those of conditionality, and schemes must not pay for commitments by farmers which are paid for by other CAP tools.

Even if eco-schemes have features in common with the support for "agri-environment-climate commitments" available through CAP Pillar II (see section 5, below), there are **significant differences** between the two – summarised on page 10. In particular, eco-schemes offer the possibility to grant direct payments as an **incentive** to farmers to adopt practices beneficial for the environment and the climate (going beyond the costs incurred or the income foregone due to the adoption of these practices).⁵

4.2. *How will this benefit the environment and climate?*

Eco-schemes offer a **new possibility for spending part of the direct payments budget on care for the environment and climate**, thus supporting the transition towards more sustainable farming. The fact that the schemes can involve annual ("one-year-at-a-time") rather than multi-annual commitments could make them particularly attractive to farmers, as could the possibility to set premia which need not be based on the additional costs and income losses arising from the commitments in question. Since Member States will also be free to set the schemes' content and budget (within their CAP plan), they can make sure that the schemes accurately match the particular needs of their farmers and territories and complement the other environmental elements of the CAP (conditionality and Pillar II support).

On this basis, Member States might make **quite different choices**. One might operate broad eco-schemes, building on this with more targeted schemes within CAP Pillar II. Indeed, if desired, the eco-scheme could even serve as an "entry-level scheme" in which farmers must participate in order to have access to the more targeted Pillar II support. Another Member State might establish more environmentally ambitious and targeted eco-schemes. In any case, each Member State will have to justify these choices in its CAP plan in relation to the CAP's environmental and climate objectives.

4.3. *Where's the simplification?*

Eco-schemes could be seen as "another layer" of payments for the environment and climate. However, as Member States will decide to what extent to use them and will design them according to their needs, in return for the potentially large environmental benefits which they can deliver, **eco-schemes need not add a major administrative burden for national and regional authorities**.

Nor should they make life complicated for farmers, if well designed. This is especially true as eco-schemes will essentially involve annual rather than multi-annual commitments for farmers. A farmer could therefore sign up to an eco-scheme on a "trial basis" – testing the water for a year or more and then deciding whether to continue participating.

⁵ All eco-schemes will have to meet the rules of least-trade-distorting ("Green Box") support for agriculture, as agreed within the World Trade Organisation. On that basis, where eco-scheme payments are **not** limited to the additional costs and income losses arising from the practices concerned, they will have to be considered as "decoupled income support". In such cases, it is prohibited that payments depend on a requirement to produce – or on type or volume of production – except with regard to a "base period" in the past.

5. SUPPORT FOR RURAL DEVELOPMENT: ENVIRONMENT- AND CLIMATE-RELATED ASPECTS

5.1. *What's the concept?*

The CAP's "second pillar" – support for rural development – will continue to offer a **wide range of tools** which can benefit the environment and climate.

Some of these will continue to take the form of **per-hectare (occasionally per-animal) payments on farms**. An important category is payments for **environmental, climate and other management commitments** – which include what are currently known as **"agri-environment-climate commitments"** (and conversion to, or maintenance of, organic farming). These payments compensate farmers and other land managers for voluntarily committing themselves for several years at a time to practices (decided by the Member State) beneficial for the environment and climate. Other types of per-hectare payment help to keep farming in place in areas where agriculture faces particular difficulties – because of natural constraints (e.g. in mountain areas) or as a result of particular rules (e.g. in the Natura 2000 network of areas important for wildlife).

Many other types of payment will continue to be offered in CAP Pillar II which can support care for the environment and climate. These include support for: knowledge-building (e.g. for farm-specific advice on limiting greenhouse gas emissions); investments (e.g. in more water- and energy-efficient equipment); innovation (e.g. projects to adapt precision agriculture techniques to areas where they are not currently applied); and co-operation (e.g. for farms to jointly supply waste for sustainable energy production). Many of the possibilities concerned will remain open not only to farmers but also to the forest sector and other rural businesses, as well as local communities and associations. The Commission's proposal includes elements to prevent support for investments which might not be environmentally sustainable.

5.2. *How will this benefit the environment and climate?*

As the descriptions given above should make clear, many items in the toolbox of the CAP's second pillar will remain highly relevant for the environment and climate. Three changes in the overall approach deserve attention.

First, because each Member State will plan its use of both Pillar I and Pillar II tools together in its CAP plan – whereas at present, the two pillars operate through separate and very different processes – it will be **easier for Member States to use all types of CAP support together more coherently**, including in the service of the environment and climate. The arrival of "eco-schemes" in Pillar I offers Member States an opportunity to refocus their Pillar II funding if they wish – perhaps onto more environmentally ambitious and targeted schemes.

Second, a **requirement for minimum spending on the environment and climate in CAP Pillar II will be modified**. In their CAP plan, Member States will remain obliged to earmark at least 30% of their EU Pillar II funding to be spent on the environment and climate. However, in future this earmarking will only take into account planned support that directly targets environmental gains. It will exclude compensation for farming in areas with natural disadvantages, as the link of this support to environmental benefits is less direct.

Third, in future Member States will be able to **transfer extra funds** from Pillar I to Pillar II for environmental purposes, if they wish: in addition to the basic 15% which can be spent on any type of Pillar II support, a further 15% will be possible – which must be devoted only to environmental and climate objectives.

5.3. *Where's the simplification?*

The process of achieving objectives by drawing up and implementing plans – in which Member States carry out initial analysis, set targets and choose types of support through which to achieve the objectives and targets – is already essentially the method of implementing CAP Pillar II. In this respect, less will change for Pillar II than for Pillar I.

For Pillar II, simplification will come because **EU-level rules for some individual types of support will become less detailed and prescriptive**. Overall, more than 20 "measures" and 64 "sub-measures" (i.e. types of support) in the current rules will be slimmed down and combined into eight broad types of intervention. To cite a more particular example: in the case of investments in forestry, five different sets of rules on potential beneficiaries and permitted types of investment will be replaced by two very short paragraphs.

6. CAN KNOWLEDGE, INNOVATION AND DIGITISATION HELP?

As highlighted in the European Commission's Communication on the Future of Food and Farming: knowledge, innovation and digitisation are essential ingredients in any serious attempt to improve the performance of the CAP and of the EU farm sector – including in terms of care for the environment and in relation to simple policy implementation mechanisms.

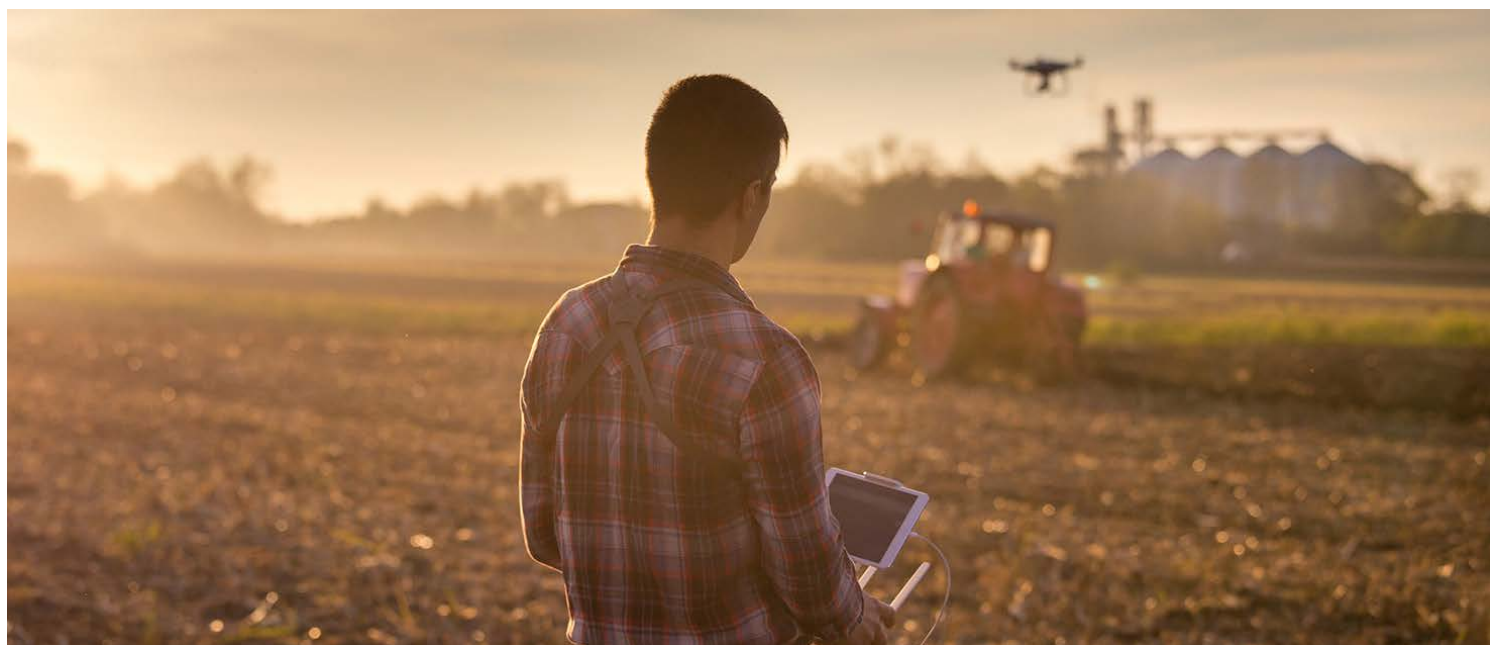
First of all, this is true at the level of **farming practice**. Well-established technology makes it possible to accurately monitor crops and weather conditions and supply water and nutrients with precision – maximising yields while cutting input levels, and letting technology take the strain of doing so. Advances in robotics promise major efficiency gains in some types of farming, without an enlarged environmental footprint. And not all progress requires complex technology or high spending: the frontiers of agricultural knowledge are always being pushed back in terms of working with nature in sophisticated but sometimes inexpensive ways for economic and environmental benefit (e.g. in the developing techniques of agroecology). Overall, year by year important advances are occurring which open doors to more efficient use of natural resources and other win-win developments.

Knowledge, innovation and digitisation can also support **simpler implementation of the CAP**. The satellites and associated technology which help a farmer optimise his day-to-day business can also warn him when the deadline is approaching for carrying out an activity under a given CAP scheme (e.g. mowing the grass), replace on-the-spot checks and pre-fill a large part of his application form for CAP funding.

Barriers to a greater application of knowledge, innovation and digitisation include fragmentation, lack of capital and low training levels in some parts of the farm sector, as well as incomplete broadband coverage and the time required to update CAP implementation systems in national and regional administrations.

The CAP will continue to help overcome these barriers. Some types of Pillar II support explicitly address them (see previous section). Member States will also still be required to make farm advisory services available to farmers – and further develop this tool – while Member States themselves will still have access to "technical assistance" funding from the CAP to help them implement the policy effectively and efficiently. Furthermore, the Farm Sustainability Tool for Nutrients which Member States will make available to farmers (see p.5) holds considerable potential. This relates not only to the processes of farming itself but also to administrative tasks such as applying for payments and ensuring compliance with standards and requirements etc. The Tool will also assist direct communication between farmers, advisory services, public authorities and private companies.

However, **the CAP is certainly not the only source of help** in addressing the difficulties outlined above: a range of other EU policies and initiatives have major roles to play (e.g. research and regional policies, as well as activities funded from other EU sources in the areas of digitisation and development of satellite-based resources). Moreover, the private sector will continue to conceive solutions, often independently of public support.



COMPARISON OF KEY ASPECTS OF “ECO-SCHEMES” IN CAP PILLAR I AND “AGRI-ENVIRONMENT-CLIMATE COMMITMENTS” IN CAP PILLAR II

	Eco-schemes	Agri-environment-climate commitments
Source of funding	Pillar I budget – without co-financing by Member States	Pillar II budget – with co-financing by Member States
Possible beneficiaries	Farmers	Farmers, other land managers (e.g. environmental NGOs)
Payments’ link to land	Payment per hectare Land concerned must be eligible for direct payments ⁶	Payment per hectare Land concerned need not be eligible for direct payments
Obligatory/voluntary?	Member States must make provision for them Participation voluntary for farmers	Member States must make provision for them Participation voluntary for farmers and other potential beneficiaries
Nature of commitments	Annual (i.e. “one year at a time”)	Multi-annual contracts (usually of 5-7 years)
Calculation of premia	Compensation for additional costs / income losses arising from commitments concerned, OR Additional payment to basic income support (no particular rules over premium level)	Compensation for additional costs / income losses arising from commitments concerned

⁶ Direct payments are a group of types of area-based payments for farmers provided through CAP Pillar I – including several varieties of income support, and the eco-schemes.

DIAGRAMS 1–3: EXAMPLES BY CAP SPECIFIC OBJECTIVE

The diagrams on pages 12-14 provide basic **hypothetical** examples of how a Member State might decide to use elements of the CAP's future green architecture in drawing up its CAP strategic plan.

Between them, the three examples show the Member State's response to the three environment- and climate-related specific objectives of the CAP (see p.3). In the case of the second of these objectives (efficient use of natural resources), the relevant example deals with water-related issues only.

In each example, the Member State identifies its needs with regard to the objective in question (including with reference to relevant EU legislation on the environment and climate). It then designs a general method for meeting those needs – and translates that method into:

- an approach to implementing the related aspects of the conditionality system;
- one or more Pillar I eco-schemes;
- Pillar II support for environment-/climate-related management commitments.

As these are simplified examples, each displays only a limited number of types of support; they do not include support for relevant investments, knowledge-building, innovation etc.

Each example also identifies where the Member State gets to take decisions. Within the content of conditionality, the eco-schemes and the support for environmental/climate management commitments: **everything in italic font is laid down in the EU-level CAP rules; everything in standard font represents a decision by the Member State**. (For instance, in the first example, with regard to GAEC standard 2 the CAP rules specify that the Member State must arrange “appropriate protection of wetland and peatland”. The Member State decides to do this by prohibiting drainage, on its territory, of wetland and peatland which it designates as “sensitive”).

N.B. These examples are provided only to illustrate principles: they are not “recommendations” to Member States. The appropriate content of any given CAP plan – showing a suitable level of ambition with regard to the environment and climate – will depend on circumstances in the Member State concerned.

CLIMATE CHANGE

Hypothetical example of a Member State's implementation

1.

SPECIFIC OBJECTIVES

Contribute to climate change mitigation and adaptation, as well as sustainable energy

2.

SWOT ANALYSIS, NEEDS ASSESSMENT AND LINK TO EU ENVIRONMENTAL LEGISLATION

Key findings: the need to preserve organic carbon stock in some hotspots, such as wetland and peatland, as well as increase the resilience of certain farming systems dependent on irrigation

3.

CONTRIBUTION OF THE CAP STRATEGIC PLAN THROUGH THE NEW GREEN ARCHITECTURE

By developing support options, for example rewarding the maintenance of wet agriculture and assisting a transition to less water-intensive crop selections

Pillar I
Optional for farmers

Pillar II
Optional for farmers

ENHANCED CONDITIONALITY
Mandatory for farmers

ECO-SCHEME

Maintaining climate-friendly farming on peatlands



Application of paludiculture techniques
(wet farming with no or minimal drainage)

CLIMATE MANAGEMENT COMMITMENTS

Assisting a shift of irrigated arable crop systems towards a more water-efficient approach in certain sensitive areas



Reduced use of water:

Substitution of irrigated maize by less water-demanding crops, e.g. irrigated sorghum

Partial substitution of various irrigated crops by non-irrigated crops: on 80% of area if irrigated crop is maize, 65% if cotton, 70% if alfalfa

Ensuring a minimum level of protection
basic obligations directly related to climate issues...



LIMITATION OF GREENHOUSE GAS EMISSIONS (CLIMATE CHANGE):

► **(GAEC 1):** Maintenance of permanent grassland based on a ratio of permanent grassland in relation to agricultural area, set at regional level

► **(GAEC 2):** Appropriate protection of wetland and peatland by prohibiting drainage for alternative land uses of designated sensitive areas

► **(GAEC 3):** Ban on burning arable stubble, except for plant health reasons

*Note: for GAEC standards, Pillar I eco-schemes and Pillar II management commitments:
italic font = obligation as laid down in EU-level rules
standard font = decision taken by MS in this example*

WATER

Hypothetical example of a Member State's implementation

1.

SPECIFIC OBJECTIVES

Foster sustainable development and efficient management of natural resources, such as water, soil and air

2.

SWOT ANALYSIS, NEEDS ASSESSMENT AND LINK TO EU ENVIRONMENTAL LEGISLATION

Key findings: the need to improve water quality in some river basin districts by reducing the use of nutrients and plant protection products in arable crop farming systems

3.

CONTRIBUTION OF THE CAP STRATEGIC PLAN THROUGH THE NEW GREEN ARCHITECTURE

By developing support options, for example as part of tiered support schemes that encourage a systems-level shift from intensive to input-saving arable crop systems

Pillar II
Optional for farmers

ENVIRONMENTAL MANAGEMENT COMMITMENTS

Assisting a shift of arable crop systems towards a more input-efficient approach in certain areas defined on the basis of the Water Framework Directive

Limitation of nutrient use (and leakage): max. 13 kg N, 40 kg P and 40 kg K per ha of farmland per year

Reduced use of pesticides: max. 3 reference doses of plant protection products used per ha during a cropping season

Pillar I
Optional for farmers

ECO-SCHEME

Acknowledging environment-friendly practices

Limitation of nutrients leakage: establishment of green cover before next spring crops by 1/10/N

ENHANCED
CONDITIONALITY
Mandatory for farmers

Ensuring a minimum level of protection
basic obligations directly related to climate issues...

LIMITATION OF NUTRIENTS AND LEAKAGE OF MINERALS (WATER):

► **(SMR 1):**
Water Framework Directive

► **(SMR 2):**
Nitrates Directive

► **(GAEC 4):**
Establishment of 5m wide
buffer strips along watercourses

► **(GAEC 5):**
Use of the Farm Sustainability Tool for
nutrients, which will provide additional
services for sustainable crop manage-
ment (water, pesticides, micro-nutrients)

Note: for GAEC standards, Pillar I eco-schemes and Pillar II management commitments:
italic font = obligation as laid down in EU-level rules
standard font = decision taken by MS in this example

The new green architecture of the CAP BIODIVERSITY

Hypothetical example of a Member State's implementation

1.

SPECIFIC OBJECTIVES

Contribute to the protection of **biodiversity**, enhance ecosystem services and preserve habitats and landscapes

2.

SWOT ANALYSIS, NEEDS ASSESSMENT AND LINK TO EU ENVIRONMENTAL LEGISLATION

Key findings: the need to increase biodiversity on farms by increasing the density of landscape features on and along agriculture parcels and improving their management.

3.

CONTRIBUTION OF THE CAP STRATEGIC PLAN THROUGH THE NEW GREEN ARCHITECTURE

By developing support options, for example as part of tiered support schemes, which: encourage farmers to dedicate progressively more land to biodiversity-friendly features; and compensate farmers for appropriate management of these features

ECO-SCHEME II

Supporting the presence of an even greater density of landscape features

Min. 10 %

of agricultural land devoted to hedges, rows of trees, field copses, ponds or fallow land

ECO-SCHEME I

Supporting the presence of an even greater density of landscape features

Min. 7 %

of agricultural land devoted to hedges, rows of trees, field copses, ponds or fallow land

ENVIRONMENTAL MANAGEMENT COMMITMENTS

Supporting appropriate management of landscape features

Establishment of buffer strips around or along landscape features :

ban on using fertilisers and pesticides within 2 meters

Management of landscape features

Ensuring a minimum level of protection
basic obligations directly related to biodiversity issues...



PROTECTION OF LANDSCAPE FEATURES AND HABITATS (BIODIVERSITY):

► **(SMR 3):**
Birds Directive

► **(SMR 4):**
Habitats Directive

► **(GAEC 9):**

- Retention of designated hedges, rows of trees, field copses and ponds
- Min. 5 % of agricultural land devoted to hedges, trees in line, field copses, ponds or fallow land
- ban on cutting hedges and trees during bird breeding and rearing season: from 1/4/N to 1/7/N

► **(GAEC 10):**

Ban on converting or ploughing all permanent grassland in Natura 2000 sites

ENHANCED CONDITIONALITY
Mandatory for farmers

Note: for GAEC standards, Pillar I eco-schemes and Pillar II management commitments:
italic font = obligation as laid down in EU-level rules
standard font = decision taken by MS in this example

DIAGRAMS 4-6: REFLECTIONS FROM THE GROUND, AND “THE FINAL WORD...”

Diagrams 4-6 offer further illustrations which may be helpful.

Diagram 4 (p.16) sets reflections on future CAP support in a broader context, presenting an example developed by agricultural and environmental stakeholders during two “round tables” on the green architecture of the CAP. Participants at these events - which were organised by DG AGRI and IUCN in November and December 2018 - explored the potential of the CAP legal proposals to help achieve environmental objectives as well as broader sustainability for farming. In this example, participants were considering how to help farmers raise simultaneously their environmental standards and their profits – through the production and marketing of products which consumers can identify (by various means) as coming from eco-friendly farming. The particular example of food items from bird- and insect-friendly farming is one instance taken from a wider range proposed by stakeholders (which also included more comprehensive approaches to promoting environment-friendly products). The diagram shows some of the processes, tasks, technologies etc. which might be involved in producing and selling such products. As the diagram sets out, various kinds of CAP support potentially have a role to play even though CAP funding is certainly not “the whole story” here.

Diagrams 5 (p.17) **and 6** (p.18) provide:

- a summary of the main improvements which the post-2020 policy will bring to care for the environment and climate;
- an example of the simplification on offer (in a comparison of rules on crop diversification within the current “greening” system and crop rotation within the new approach of conditionality).

The diagrams close this explanatory document but of course can in no way be “the final word” in the ongoing rich discussion about the CAP, the environment and climate, and simplification.

“REFLECTIONS FROM THE GROUND”

Economic/environmental
WIN-WIN

SALE OF ECO-FRIENDLY FOOD

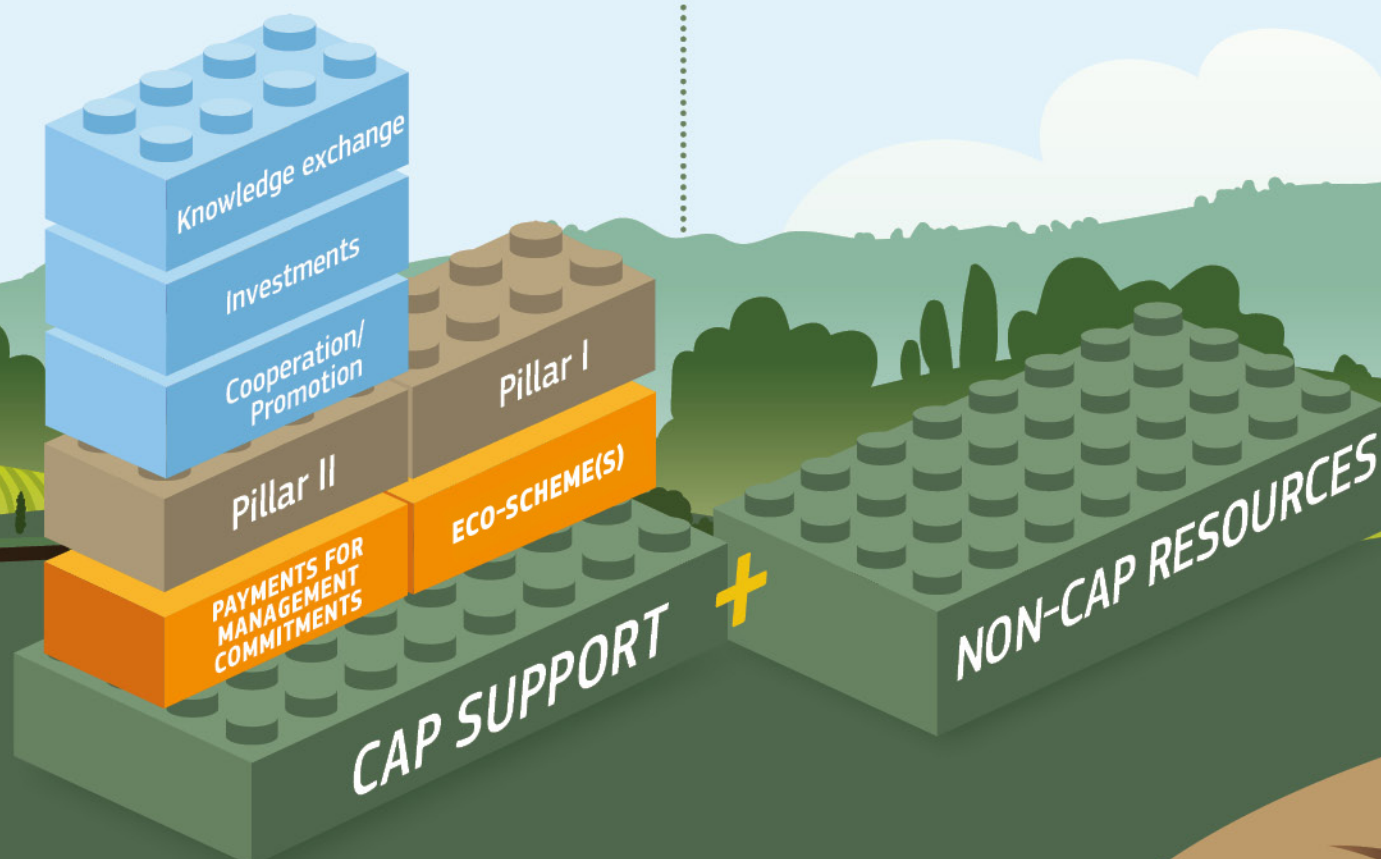
e.g. from bird- and insect-friendly farming

Transition to,
maintenance
of necessary
environmental
standards

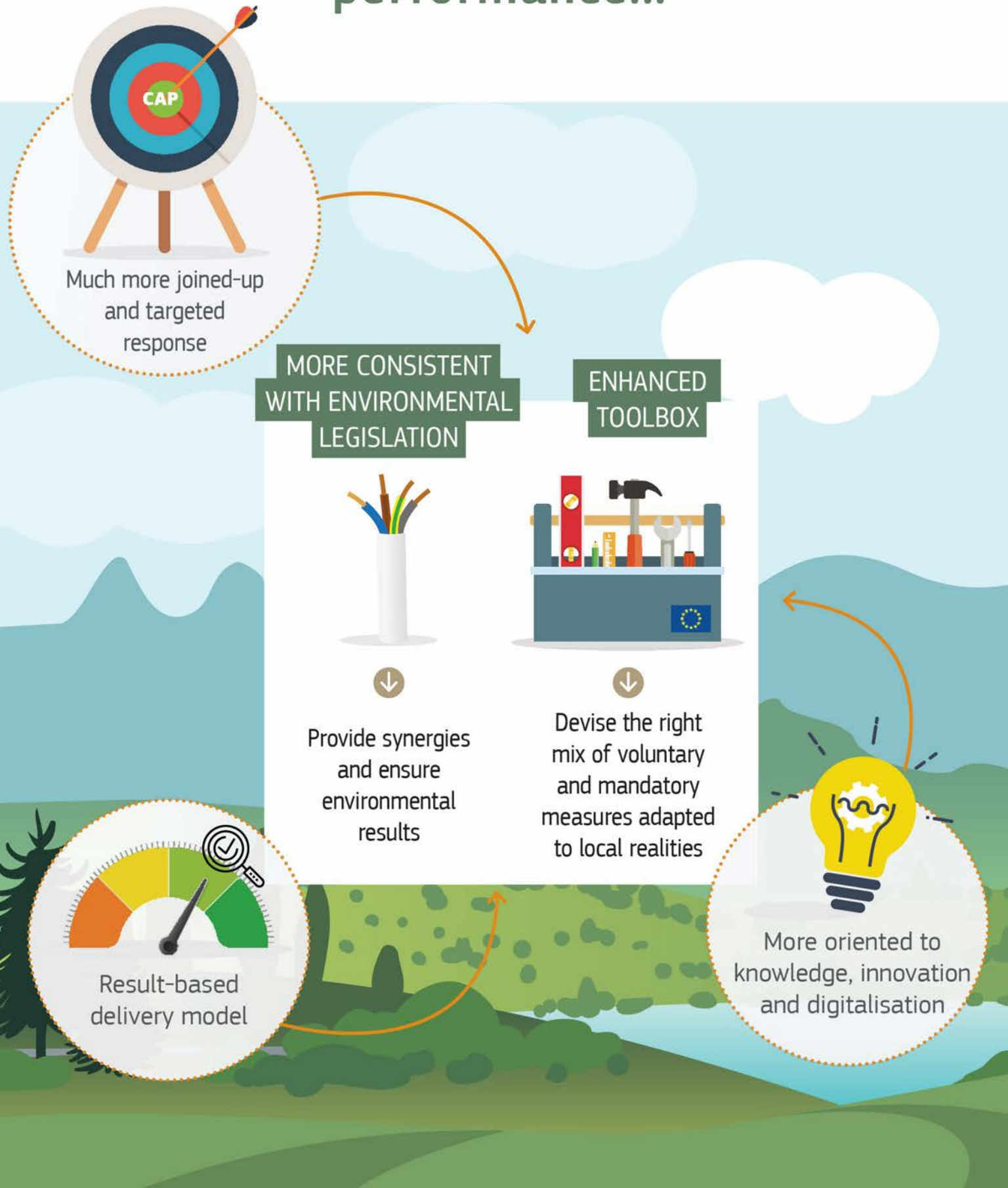
Setting
up/running
labelling
schemes

Use of
technology, e.g.
- Blockchain
- QR codes
- Online approaches

**Capturing
market value**
- Direct sales
- Farmer clusters
- Promotion
- Use of brokers
- (Public procurement)



How the new CAP will improve its environmental and climate performance...



...while simplifying the rules and procedures for farmers and administration

CURRENT CAP

Crop diversification under current **greening** (all criteria set at **EU level**)

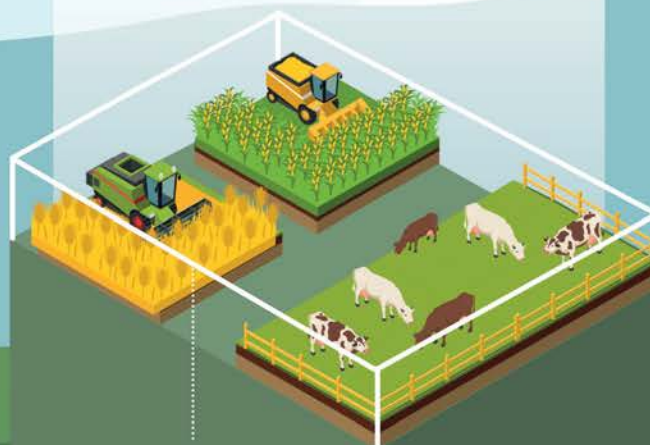
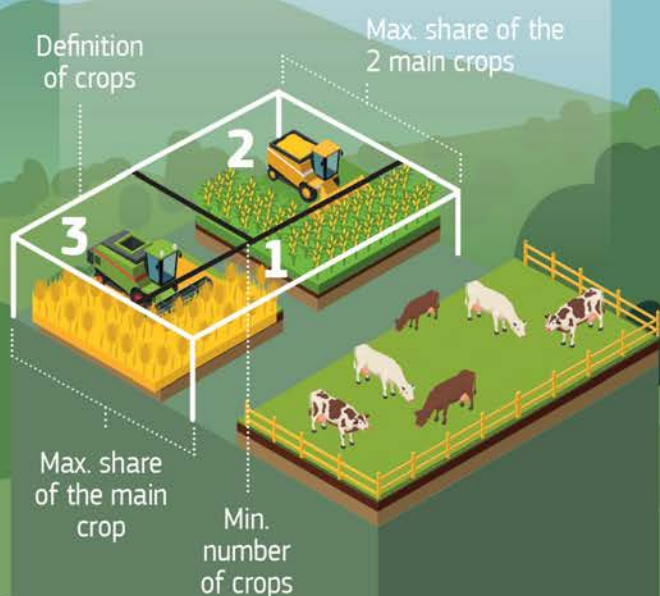
- ✓ Definition of crops based on the botanical classification (genus)
- ✓ Between 10 and 30 ha: minimum 2 crops
- ✓ Beyond 30 ha: minimum 3 crops
- ✓ Maximum share of the main crop: 75%
- ✓ Maximum share of the two main crops: 95%

FUTURE CAP

Crop rotation under future **conditionality** (all criteria set at **national or regional level**)

- ✓ Crop rotation based on needs

simplification



Up to the Member State to set the specific criteria to meet the objective of crop rotation taking into account local conditions

DISCLAIMER:

This publication does not necessarily reflect the official opinion of the European Commission.

Contact: DG Agriculture and Rural Development

<https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap>

© European Union, 2019 - Reproduction authorized provided the source is acknowledged