



## CAP Greening - UK views

4<sup>TH</sup> June 2012

**Allan Buckwell**  
**Senior Research Fellow**

AES AIEAA Workshop, Trento

## CAP Greening - UK views



- The Commission's proposal
- Stakeholder, Council and COMAGRI reactions
- Luxembourg working paper
- Commission concept note
- Flexibility – equivalence – additionality
- Other issues: agri-environment, group application, EFA trading
- Outcomes and concluding remarks

## Commission proposals



- CAP reform = Pillar 1 reform = direct payments reform
- Redistribution, targeting, greening
- Greening in Pillar 1
  - simple, generalised, non-contractual, annual,
  - for most farms and most land,
  - for WTO purposes, decoupled payments
  - Aim: sustainability, emphasis on biodiversity & climate. water & soils too
  - Plus cross compliance & advisory service, bolstered by agri-environment



3

## Commission's greening direct payments



- **Agricultural practices beneficial for climate & enviro**
  - All farmers except organic and small farmers
  - Indicative 30% of National Ceilings (~€12.5b p.a.)
- **Crop diversification**
  - All arable + perm crops >3 ha
  - Min 3 crops, max 70%, min 5%
- **Maintenance of permanent grassland**
  - at farm level as of 2014
  - Herbaceous pasture over 5 yrs
  - 5% (cumulative) flexibility
- **Ecological focus area**
  - 7% of eligible hectares excluding perm grassland
  - “such as “land left fallow, terraces, landscape features, buffer strips, (certain) afforested areas “



4

## The Luxembourg working paper (27/4/12)



- Origins – Stockholm Group
- More flexibility, subsidiarity.
- MS chooses one of three options



A. Develop agri-environment using P1 funds

B. More choice in COM greening proposal

1. More categories of 'green by definition'
2. More than three 'agricultural practices'
3. De-link the greening and basic payment



C. Put greening practices in cross compliance

5

## Commission concept note (11/5/12)



- **Extend greening by definition** Agri-enviro climate measures (AECM) / certification
  - AECM/Certification could fulfil one or more of greening measures, provided
    - Whole farm;
    - Ambition beyond the relevant greening measure,
    - Commitment corresponds to the greening measure
- **Permanent grassland** (definitions of PG)
  - Allow grazed non-herbaceous species (redn coeff?)
  - Grass out of rotation 8 yrs or more (not 5yrs)
- **Crop diversification**
  - Threshold 3 to 10 ha (not 3 ha)
  - Exempt farms <50 ha, with significant grass or fallow
  - Share of 3<sup>rd</sup> and subsequent crops to account for >5%



6

## Flexibility, equivalence and additionality

- Does it matter of greening requirements are very different within and between Member States?
  - Farmers will say certainly, it affects competitiveness
  - But the environmental requirements and values may be very different
  - The current environmental performance very different too
- Flexibility in which farms are deemed Green by definition
- Flexibility in greening 'agricultural practices'
- How to compare equivalence?
  - Farmer costs
  - Environmental delivery - points systems?
- Do we know the baseline? Are we measuring the increment?
- What additionality of environmental delivery is sought? All Member States all farms?

7

## Three other issues

- **Agri-environment**
  - The COM proposals for EFA alone will require adjustment to all agri-environment schemes
  - The double payment issue: can a farmer be paid for the same action in both pillars? (cf organic, LFA)
  - Option A: moving P2 action to P1 or paying for P2 with P1 funds? Does it matter?
- **Group or regional application**
  - Dutch proposal; principles and practicalities
- **EFA trade**
  - Desirable or undesirable in principle?
  - Can it be stopped?

8

## Outcomes and concluding remarks

- Should we expect a significant, measurable step up in environmental land management by 2020?
  - What if it does not materialise?
- Does a greened Pillar 1 undermine Pillar 2?
  - In the MFF and CAP budget allocation debates?
  - For farmers? Their willingness to volunteer for AECM?
- If MS flexibility is granted will the CAP become very less common by 2020? (especially with options built into LFA, coupled payments etc.

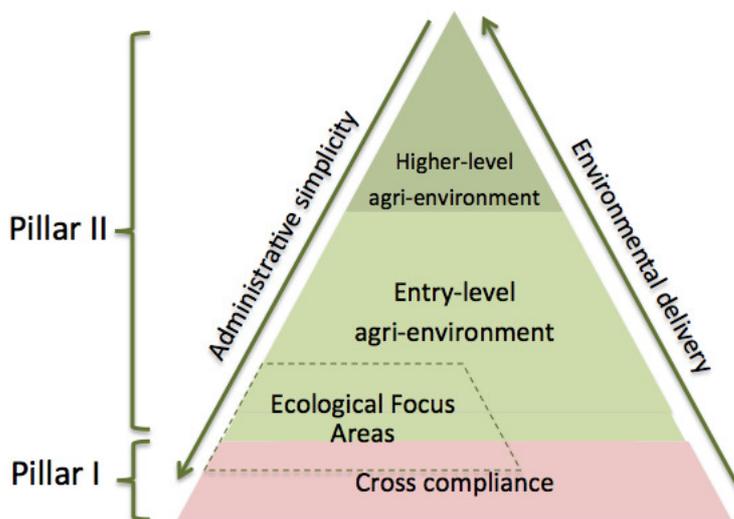
9

## Annex 1: Distinctions between measures

Characteristic	Cross Compliance	Greening	Agri-Environment Scheme
	Pillar I		Pillar II
Compulsory	✓	✓	✗
Above reference level	✗	✓	✓
Annual	✓	✓	✗
Member State flexibility	✓ / ✗	✗	✓
Farmer choice	✗	✗	✓
Highly targeted	✗	✗	✓
Monitored and evaluated	✓	✓	✓

10

## Annex II: Distinctions between XC, MG and AES



11



**Allan Buckwell**

[abuckwell@ieep.eu](mailto:abuckwell@ieep.eu)

For further information on the future CAP debate visit

[www.cap2020.ieep.eu](http://www.cap2020.ieep.eu)

OR

IEEP's web-site for Publications, News and Newsletter on all dimensions of EU environmental policy

[www.ieep.eu](http://www.ieep.eu)

12