

# The potential of the Common Agricultural Policy to incentivise reductions in agro-chemical dependency

Integrated Pest Management - the way forward to Sustainable Agricultural Production

Commemorating the 50 year anniversary of Rachel Carson's "The Silent Spring"

19 June 2012

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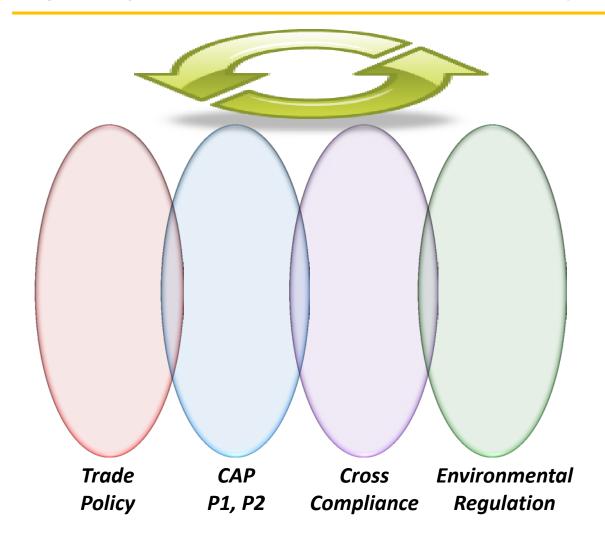


## What do we want from an agricultural policy?



# Influencing the farmed environment in Europe





## Clarity of objectives for European agriculture



- Sustainable supply of food, fibre, other products in line with social needs as well as market requirements, so sensitive to health and welfare, environmental and developmental needs
- Entirely distinct from maximising output of established European commodities
- CAP should focus primarily on pubic good provision, where the market will not provide the desired outcome.
- A significant proportion of these public goods are environmental, potentially more so over time if commodity prices rise and structural change continues.

## Pillar 1 measures



- Single Farm Payment; mainly decoupled, some coupled; progression taking place towards zoned area payments
- Small element of targeted payments, eg Article 68; these may have environmental objectives
- Two forms of cross compliance attached to direct payments:
   Statutory (SMRs), more diverse, localised (GAEC)

## Pillar 2 measures



- Incentives for agricultural and rural development, land management, forestry, capacity building etc
- Agri-environment measures provide incentives for farmers accepting obligations beyond the baseline set in law and in cross compliance
- Freedom for national authorities to formulate these obligations within very broad EU framework
- In nearly all rural development programmes there is some support for organic farmers.

# Some routes to Public Goods provision in agriculture



- Support for practices where the environmental benefit is not rewarded through the market, eg management of fallow, lower stocking density, buffer strips with no agrochemical use
- Support for selected farming systems, with defined benefits, eg organic, HNV
- Support for infrastructure including research, advisory services, marketing networks, improved water management
- Support for innovation, dissemination of best practice
- Support for information, for farmers, consumers, the food chain.

## **Current Commission Proposals**



- Greening of Pillar 1; potential to address agrochemical concerns via payments for Ecological Focus Areas, Crop Diversification and Permanent Pasture Protection at farm level
- Cross Compliance; amendments include specific reference to Sustainable Use Directive, but timing delayed, unclear when it would be operational
- Pillar 2 budget potentially smaller; capacity to address agrochemical issues but no specific references
- Support for Innovation

## **New Structures for both Pillars**



#### Pillar 1

**Coupled support (optional)** 

Payments for farmers in areas facing specific natural constraints (optional)

Young farmers (compulsory)

Payment for agricultural practices beneficial for climate and the environment (compulsory)

**Basic Payment Scheme** 

10% transfer possible for all Member States P1 to P2



5% transfer possible for 12 Member States P2 to P1

#### Pillar 2

#### **Common Strategic Framework**

#### Three core objectives:

- 1. Competitiveness of Agriculture
- 2. Sustainable Management of Natural Resources
- 3. Balanced territorial development of rural areas

#### 6 Union priorities:

- 1. Knowledge Transfer
- 2. Enhancing Competitiveness
- 3. Food chain organisation and risk management
- 4. Preserving and enhancing ecosystems
- 5. Resource Efficiency & transition to a low carbon economy
- 6. Realising the jobs potential and development of rural areas

European Innovation Partnership for Agricultural Productivity and sustainability

#### **Cross Compliance**

Statutory Management Requirements (SMR)
Standards of Good Agricultural and Environmental Condition (GAEC)

**Common Monitoring and Evaluation Framework** 

Alternative approach for small farms

Small farmer Scheme

Up to 10% national ceiling

## **Cross Compliance**



- Requirements have been streamlined
- Some changes to SMRs and GAEC standards
- Two new environmental GAEC standards:
  - Maintenance of soil organic matter level including ban on burning arable stubble
  - Protection of wetland and carbon rich soils including a ban on ploughing
- Intention to include requirements of Water Framework Directive and Directive on the Sustainable Use of Pesticides when the requirements on farmers come into force

# European Innovation Partnership for agricultural productivity and sustainability



#### This will:

- promote a resource efficient, productive and low emission agricultural sector, working in harmony with the essential natural resources on which farming depends;
- help deliver a steady supply of food, feed and biomaterials, both existing and new ones;
- improve processes to preserve the environment, adapt to climate change and mitigate it;
- build bridges between cutting-edge research knowledge and technology and farmers, businesses and advisory services.

### By

- creating added value by better linking research and farming practice and encouraging the wider use of available innovation measures;
- promoting the faster and wider transposition of innovative solutions into practice; and
- informing the scientific community about the research needs of farming practice.
- Funded mainly through technical assistance funds, with additional funds from 'capping' receipts

## Key to a new Agenda



- Utilising the mandatory measures, particularly on arable and horticultural farms
- Improved measures with respect to crop rotation and HNV farms
- Avoiding an escape route of farms "green by definition"
- Stronger use of Pillar 2 measures, increased budget, manageable Member States funding contribution
- Operational form of cross compliance on predictable timescale.