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”

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What do we want from an agricultural policy?

- Sustainability
- Competitiveness
- Market Stability
- International Acceptability
- Public Good Provision
- Competitiveness
- Rural Development

A FUTURE CAP

Sustainability
Influencing the farmed environment in Europe

Trade Policy  
CAP P1, P2  
Cross Compliance  
Environmental Regulation
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 public 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

**Pillar 2**

- 10% transfer possible for all Member States P1 to P2
- 5% transfer possible for 12 Member States P2 to P1

**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**
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.