

The eco-schemes and their implementation are the central tool for a greener CAP

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These projects have received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement GA 817949 and GA 817903

Outline



- **Introduction**
- **The new green architecture**
- **Eco-schemes – the new rules**
- **Eco-scheme proposals as discussed at national level**

The 4 CAP objectives targeted by eco-schemes



Climate Action



Environmental
care



Preserve
landscapes
and biodiversity



Animal welfare
and combat
antimicrobial
resistance

Major (structural) novelties



1. National Strategic Plans covering both pillars, **1 plan per MS** covering all interventions (with the possibility to have regional priorities)
-> **Stronger interrelationships** between 1st and 2nd pillar of the CAP
2. A **greater overall ambition on environment and climate** compared to the previous programming period (no “backsliding”)
3. **New delivery model** -> Performance monitoring and reporting against national targets (output and result indicators)
4. **introduction of eco-schemes** instead of mandatory greening in the current CAP
5. Some additional flexibility as regards **payment level of AECs**: has to take into account target of the measure, no maximum rates, transaction costs not fixed
6. **Rule details at national level** for CAP implementation (definitions, sanction system, ...)
 - Administrative implementation still “work in progress”

Core elements of the 1st and 2nd pillar of the new CAP



1st pillar with

▪ Direct payments

Basic payment (BISS - Basic Income Support for Sustainability)

- with top-up for the „**first hectares**“ (10% of the budget if no capping)
- 3% of the budget for **young farmers** (hectare based and /or for investment support)

Eco-schemes for active farmers or groups of active farmers (25% 1st pillar budget)

Coupled payments possible (max. 13% of the budget + 2% for legumes)

2nd pillar with

▪ Area-based payments

- **AECs** as 5 - 7 year measures
- Payments for Natura-2000 and WFD areas
- Payment for Less Favoured Areas (LFA)

▪ Further funding instruments

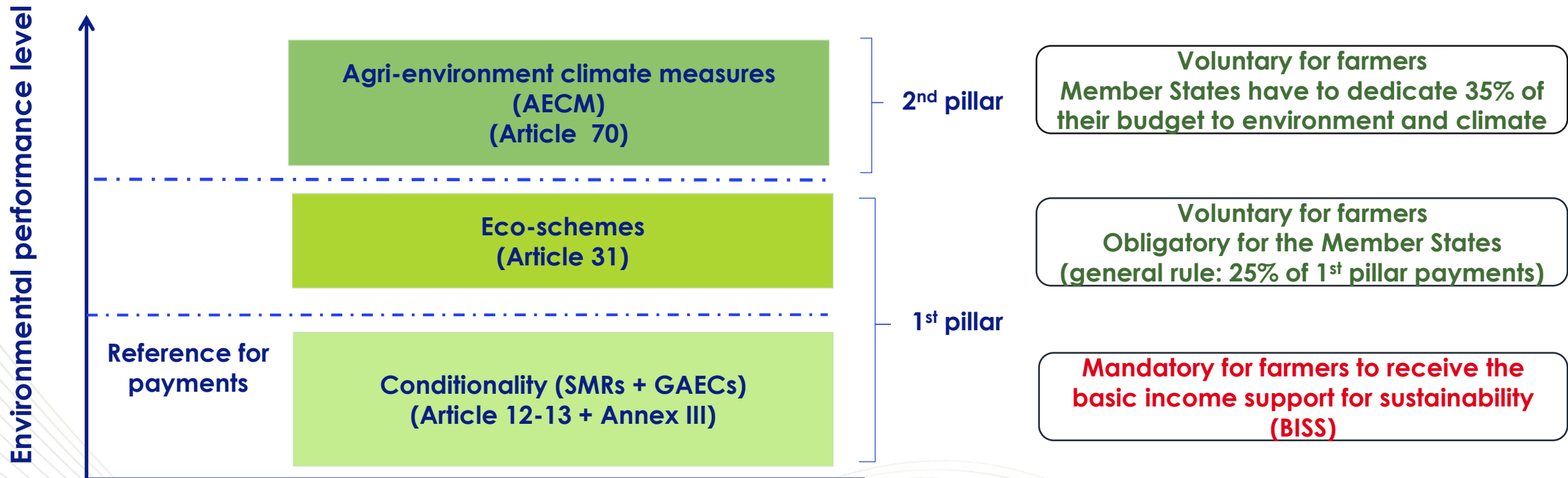
- “Green investments” / non-productive investments
- Cooperation, AKIS (Agricultural Knowledge and Innovation System),

ALL IN ONE NATIONAL STRATEGIC PLAN

With eco-schemes for the first time voluntary environmental measures in the 1st pillar

Broad set of voluntary instruments (with regional specificities)

The new green architecture of the CAP (1)



Conditionality = Cross compliance + (parts of) greening in current CAP

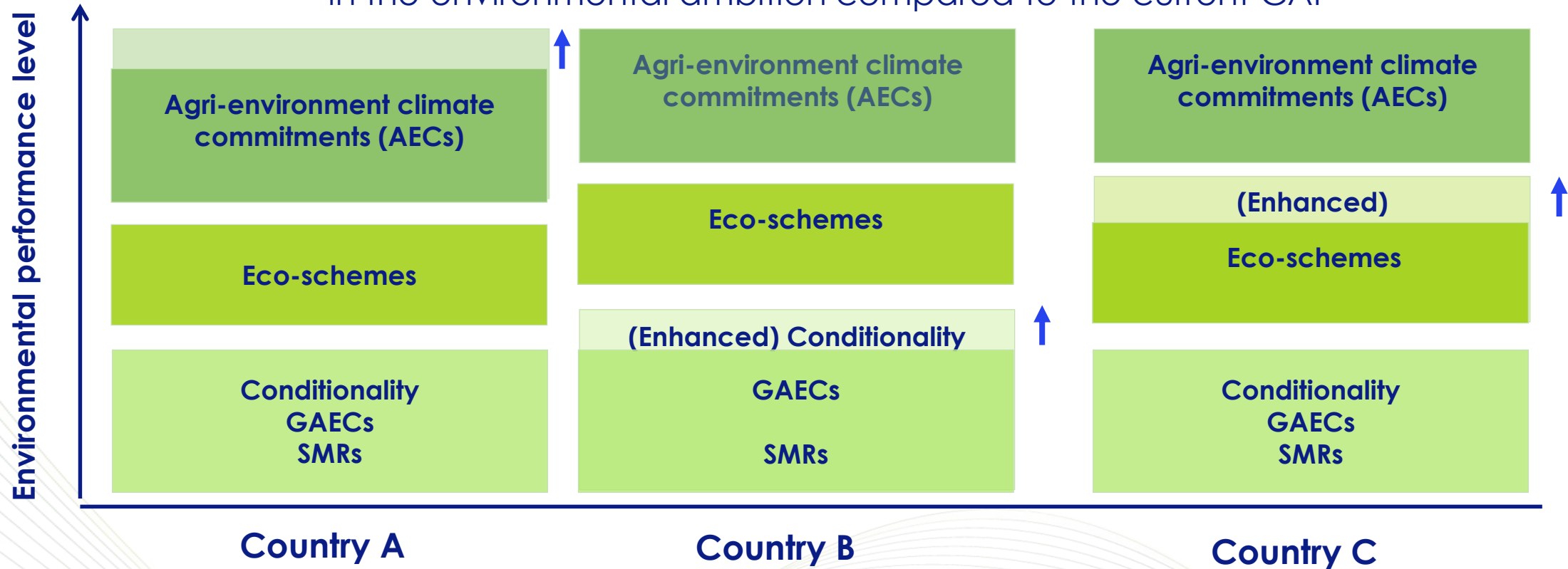
SMRs: Statutory Management Requirements based on EU laws (number of obligations: 11)

GAECs: Good Agricultural and Environmental Conditions (number of obligations: 9)

The new green architecture of the CAP (2)



Member States have great flexibility in the programming as long as there is “no backsliding” in the environmental ambition compared to the current CAP



RISKS:

If the distance between GAEC requirements and the national laws (mirrored in the SMRs) is too huge farmers may opt out of CAP payments

If the cost for implementing eco-schemes are too high, farmers may not engage

-> no positive environmental effects

Eco-schemes



- **Farmers are legally entitled to the eco-scheme payments**
 - > access cannot be denied if they can comply with the requirements of the measure(s)
 - > uncertainty about uptake by farmers
 - > a learning period and budget transfer options to minimize unspent funds going back to Brussels
- Each Member State must draw up **a list of eco-scheme measures** and set payment level
- Payments **either as an incentive payment** to the basic payment **or as a compensatory payment** based on income forgone & additional costs incurred
- **Compatibility with WTO “Green box rules”** has to be ensured
 - > no (direct) link with type / volume of production
- Member States may use a **scoring system or any other methodology** to ensure that the eco-schemes **delivers towards the targets**
- Even though **payments are annual**, measures may be **designed as multi-annual commitments**

An impressive diversity of eco-scheme measures



Country	No	Land targeted	Originating from:		Aspects targeted					
			Greening	AECS*	Clima- te	Water quality	Soil pro- tection	Biodi- versity	Animal welfare	Antimi- crobial resistence
Austria	4	AAGP	1	4	X	X	Pr		X	
Bulgaria	9	AAAAAAGGGPPLL	2	5	X	X	Pr	Pr	(x)	
Denmark	6	AAAAAAGGP	1	1	Pr	Pr	X	Pr		
Estonia	5	AAAAAGGGGPPP	1	3	Pr		X	Pr		
France	6	AAAGGGPPP	2	6**		X	X	Pr		
Finland	4	AAAAGGGG	4	4	X	X	X	Pr		
Germany	7	AAAAAAGGGGGPP	1	6**	X		X	Pr		
Hungary	1 (3)	AGP	3	0	X	X	X	Pr		
Latvia	7	AAAAAAGGGGPPPP	2	1	Pr	X	Pr	X		
Netherlands	21	AAAAAAAAAAAAAAAA GGGGGGGGGGPPPPPL	9	0	X	Pr	X	Pr	(x)	
Ireland	8	AAAAAAGGGGGGGPPPPPLL	1	7	X	Pr		Pr	(x)	
Italy	5	AAGGPPPLL	2	1	X		X	X	Pr	Pr
Poland	17	AAAAAAGGGGGGGPPP	3	5**	X	X	Pr	X	X	
Romania	6	AAAAGP	3	5	X	X	Pr	X		
Spain	7	AAAGGGPP	3	3	X	X	X	Pr		
Number of countries targeting aspect					13	12	14	14	3	1

A = arable land; G = grassland; P = permanent crops; L = livestock; X = aspect addressed by eco-schemes; Pr = aspect targeted with priority; * including organic farming; ** at least in some regions

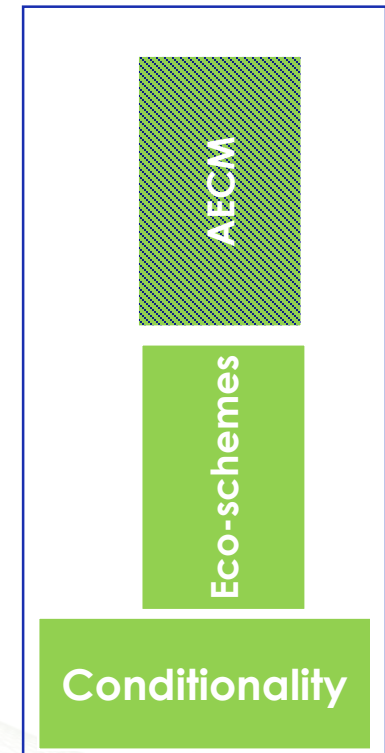
Interactions between eco-schemes and AECMs



- Both instruments have the same character and same objectives
- Same measure can be offered as AECM or eco-scheme measure
- Can be result-based and / or collective
- > Member States have to **ensure consistency and no double funding**

Degree of interaction can be shaped

- AECM side by side to eco-schemes or as top-ups
- Eco-scheme measures suitable to be offered annually, but optionally multi-annual
- Targeting single plots, branch of activity or whole farm
- Addressing single agricultural practices, bundle of practices, packages of measures
- Measures covering the whole farm, branch of activity, single plots



Interaction between GAEC 8 and eco-schemes (1)



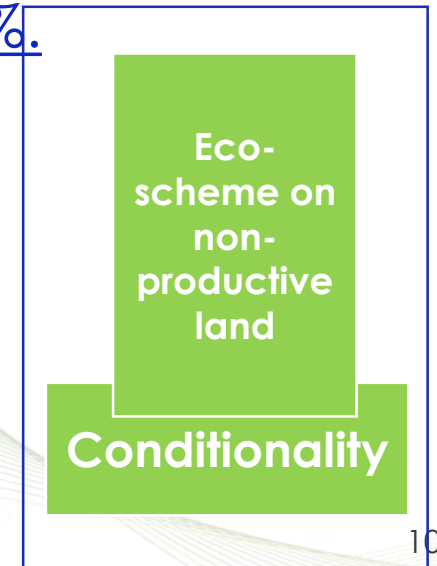
AIM: Maintenance of non-productive features and area to improve on-farm biodiversity

General rule: Minimum share of at least 4 % of arable land at farm level devoted to non-productive areas and features, including land lying fallow (exemptions: farms with high share of grassland, less than 10 ha or high forest share)

Alternatives:

- If a farmer commits to devote at least 7 % of his/her arable land to non-productive areas or features, including land lying fallow the share to be attributed under conditionality shall be limited to 3 %.
- Minimum share of at least 7 % of arable land at farm level if this includes also catch crops (weighting factor of 0,3) or nitrogen fixing crops, cultivated without the use of plant protection products, of which 3 % under conditionality shall be land lying fallow or non-productive features.

-> Member States decide about their use!



Examples for interaction between GAEC 8 and eco-schemes (2)



Country	Name of measure	Brief description
Denmark	Support for non-productive arable farmland	Additional to 3% under conditionality , at least 4% covered through eco-scheme payment, minimum 7% of arable land of a farm in total (includes fallow land and biotopes)
Estonia	Ecological focus areas and landscape elements	At least 10% of the arable land should be maintained as <u>ecologically functional areas</u> or <u>N-fixing crop areas</u> , where the use of agrochemical is forbidden
France	Non-productive features and surfaces	Additional to 4% on arable land to comply with conditionality obligation Basic level: maintenance of at least 7% of the UAA for non-productive elements and <u>surfaces favoring biodiversity</u> . Superior level: 10% of the UAA in total
Ireland	Non-productive areas	At least 7% of a farmer's holding must be devoted to biodiversity, <u>habitats or landscape features</u>
Poland	Land lying fallow	10% of the agricultural land (in total?) with <u>landscape features created/protected</u>
Spain	Non-productive areas on farmland (space for biodiversity)	Arable land in addition to the 3% of non-productive elements required by conditionality: for rainfed areas, the additional percentage shall be 7 % and, in the case of irrigated areas, 4 %.
Germany	Non-productive arable land	Additional to 4% of arable land eligible for BISS resulting from conditionality At maximum 6% of the arable land is eligible for support (max. 10% land in total) Farmers <u>can combine it with "establishment of flower strips / flowering areas"</u>

Eco-schemes targeting fertiliser use reduction



Country	Name of measure	Brief description
Ireland	Use of precision technology for fertiliser application	Fertiliser to be applied with <u>GPS-controlled spreaders</u>
Ireland	Limiting chemical nitrogen input	Farmers will have to keep within a non-organic <u>nitrogen usage limit</u> (73 kg/ha*a)
Poland	Fertilisation Plan	Preparing a <u>plan based on soil sampling</u> , fertilisation in accordance with the plan
Poland	Use of liquid manure injection equipment	Improved technology; use of <u>photos with geo-referenced location information</u>
Spain	Fertiliser plan (as a component for land under irrigation)	As an add-on measure when participating with irrigated land



Eco-schemes targeting reductions in use of plant protection products



Country	Name of measure	Brief description
Bulgaria	Reducing the use of pesticides	Use of science-based and <u>suitable application technologies</u>
Estonia	Environmental practices	Possible components: <u>Prohibition</u> of the use of <u>glyphosate</u> , apply precision farming
France	<u>Environmental certification track</u>	Practices for reduced use of pesticides (organic and high environmental value farming)
Germany	Renouncing use of plant protection	<u>No use</u> of chemical-synthetic pesticides <u>at plot level</u>
Netherlands	Natural pest control	Pest control through <u>establishment of predators</u>
Italy	Extensive forage crops	Introduction of <u>rotation of forage or leguminous crops</u> with herbicide and <u>pesticide limitations</u>
Latvia	Precision farming	<u>Precision</u> plant protection product application
Poland	Biological pest control	Use of <u>biological options for pest control</u> (introduce/gain experience)
Spain	Integrated pest management	Promotion of <u>alternatives to chemical plant protection</u>



Eco-schemes targeting organic farming



Country	Conversion	Maintenance	Remarks
Bulgaria		X	Area-based payments and support for livestock
Denmark	X	X	To benefit climate, management of natural resources, biodiversity, reduce antimicrobial resistance
Estonia		X	Possibility to engage in further eco-schemes
France	X	X	Not as a separate measure; certified organic farming automatically fulfils the requirements of the 'environmental certification track' measure
Latvia		X	Flat rate payment per hectare
Netherlands		X	Only certified organic agriculture certified by Skal Biocontrole, the Dutch national certification body
Poland		X	An increase of 100% of agricultural area by 2030 targeted – low starting level
Romania	X		Growing of vegetables, medicinal and aromatic plants included



Eco-schemes targeting soil protection



- No tillage / reduced tillage, e.g. direct seeding or strip tillage (Finland, Hungary, Latvia, Netherlands, Poland, Spain)
- Cover crops - beyond conditionality rules (Netherlands, Denmark, Hungary)
e.g. 'always green' requiring comprehensive vegetation cover for at least 85% of a farm's arable land throughout the year (Austria)
- Diversification of cultivated crops to ensure longer periods of soil cover (Bulgaria)
- Vegetation cover in permanent crops (wine, fruits, hops) (Austria, France, Italy)
- Liming on arable land based on soil sampling (Ireland and Poland)



Eco-schemes targeting biodiversity protection



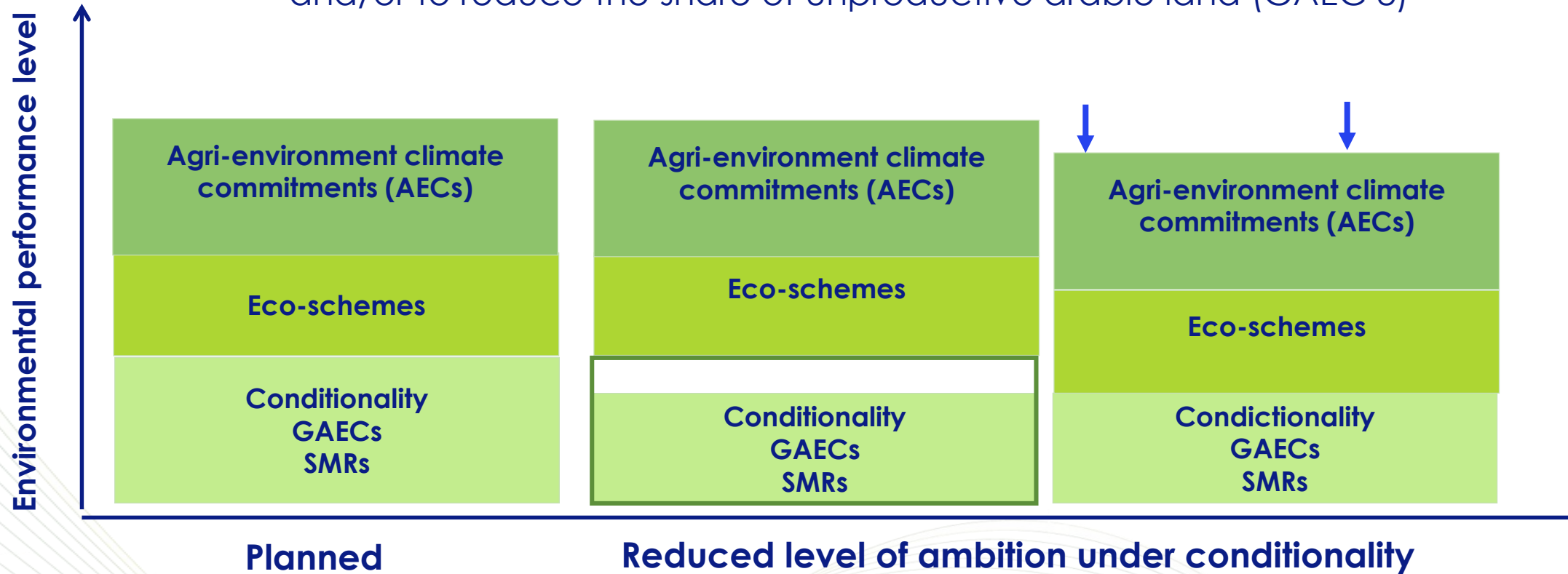
- Maintenance of natural grassland (Bulgaria, Romania, France, Hungary)
- Unmown grass strip / grass patch (Germany)
- Result-based approach with 4 grassland indicator species, regional differentiation (Germany)
- Flower strips as well as grass strips along arable fields and ditches (Netherlands)
- Increasing biodiversity-friendly elements - wild or seeded vegetation cover, no agricultural operations from 1 March till 31 July (Italy)
- Maintaining mid-field trees - shelterbelts, rows of trees or bushes (Poland)
- Hedgerow bonus in combination with environmental certification eco-scheme (France)
- Extended crop rotation beyond conditionality rule (Bulgaria, Latvia, Italy, Poland), integration of legumes (Germany, Netherlands)
-> designed as “enhanced eco-scheme”



Delays in the introduction of conditionality rules?



Possible impacts of current discussions to postpone introduction of GAEC 7 (crop rotation) to 2024 and/or to reduce the share of unproductive arable land (GAEC 8)



RISKS:

A gap between eco-scheme requirements and conditionality may make participation in eco-schemes (and AECs) less attractive. To overcome this the overall level of ambition may be reduced.

Conclusions



- Many eco-scheme measures derived from existing greening measures and/or AECSSs
- Differences in natural resource settings, environmental preferences and experience with voluntary AECMs result in a great diversity among the proposed eco-schemes
- Similar measures may be programmed as eco-schemes in some countries and as AECSSs in others
- With a quarter of direct payments being earmarked for eco-schemes this could lead to a significant uptake by farmers and increase of areas under commitment
- Member States have to strike a delicate balance: ensure no backsliding compared to the environmental and climate achievements under the current CAP and offer eco-scheme measures sufficiently attractive for farmers to engage on a voluntary basis

A big thanks to all for their insights into national eco-schemes!



Lena Schaller (BOKU, Austria)

Kristina Todorova (University of National and World Economy, Bulgaria)

Carsten Daugbjerg and Mette Termansen (University of Copenhagen, Denmark)

Jaan Liira (University of Tartu, Estonia)

Fanny Le Gloux and Pierre Dupraz (INRAE, France)

Jussi Leppanen (Natural Resources Institute, Finland)

József Fogarasi (Óbuda University, Hungary), Enikő Zita Vigh (Institute of Agricultural Economics, Hungary)

Tracy Bradfield and Thia Hennessy (University College Cork, Ireland)

Stefano Targetti and Davide Viaggi (University of Bologna, Italy)

Inga Berzina (Farmers Parliament, Latvia)

Catharina Schulp (Vrije Universiteit Amsterdam, Netherlands)

Edward Majewski (Warsaw University of Life Sciences, Poland)

Gabriela Baciu and Laua Bouriaud (Stefan cel Mare University of Suceava, Romania)

Mireia Pecurul and Irina Prokofieva (CTFC, Spain), Francisco Jose Blanco Velazquez (Evenor-Tech SL, Spain)

Further reading



Link to CAP strategic plans of all Member States

https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cap-strategic-plans_en#publishednationalstrategicplans

Link to the observation letters on CAP strategic plans

https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cap-strategic-plans/observation-letters_en



Thanks for listening!