

**Agriculture and Environment advisory group**  
**9 June 2010**

Report of previous meeting and agenda approved.

**Post 2013 CAP reform- how the CAP can meet EU environment objectives while assuring the production role of farming**

Presentation by Pierre Bascou (DG AGRI).

Copa-Cogeca- stresses the importance of food security, fair income for farmers, and maintenance of a level playing field among farmers. "New challenges" should be addressed through rural development. Need for a sufficient budget. Need to give farmers the right incentives. Need to avoid land abandonment. Concerns about impact of possible budget cuts including to environmental programmes.. One suggests that reduced budget should be refocused on food security and farmers' income to keep farmers in business. Farmers are heavily dependent on the single farm payment as people's expenditure on food keeps going down and imbalances in the food chain persist. The EU is already importing the equivalent of Germany's area and without direct payment production would collapse and move elsewhere. Some claims that at time of crisis, food clearly takes the priority over environmental concerns. Others stress the need to find a balance between production and environmental quality. One representative asks to create a level playing field for environmental taxation in Europe (for example as unsustainable vegetables production in the mediterranean undermines more sustainable production in the New Member States). NMS representatives point to problems where national subsidies have been phased out but CAP support not properly rolled out. Ask for fairness in distribution of CAP subsidies. Point to large scale land abandonment. Ask for stronger Commission steering to ensure national authorities comply with EU objectives.

Answer claims by ECVC that CAP is against small farmers by saying the CAP's main role is in supporting small family farms. Agree on supporting systems that deliver public goods but warn against creating an "artificial public goods market" that risks being cut away as soon as countries have budget constraints.

ECVC- it is not true that sustainability of EU farming has improved. Farmers keep disappearing and the CAP is promoting this decline. Fair income must be guaranteed through the market, not subsidies. It is subsidy dependency that is killing EU farming. Need to go back to regulated markets that deliver fair income as before the 92 reforms. Need big changes to production systems (away from intensive farming), focus on food security, shift to agro ecology and best use of local resources- not polarisation between intensive farming and small farms "compensating" for the damage.

BirdLife- Joint NGOs CAP reform proposal (based on regarding farmers for the delivery of public goods, available on the web). Joint statement with the ELO focusing on the need to create a system that properly rewards farmers for public goods delivery, through a well targeted, transparent and accountable contractual approach within a programming logic. The status quo is not justifiable as there is

no link between the level of payments a farmer gets and what he actually does or what benefits society gets. Food security is a dangerous and misleading term: we need to maintain our long term resource base to ensure long term stability of food production, but there is no justification for a short term rush to produce more at any cost. Refocusing spending on public goods is an opportunity for making the CAP again relevant and legitimate and would help the farm community justify the support it gets on the longer term. It is not true that the SFP is helping maintain production, in fact Commission studies say that if the CAP was to be abolished production would stay stable or even rise.

EEB- no incompatibility between environment and production. Conserving natural resources and functioning ecosystems is crucial for maintaining future production. Need to move from current monoculture and fossil fuel dependence to agroecology.

Consumers- agriculture needs to become economically viable but consumers cannot pay more. So subsidies are still needed.

### **Post 2010 biodiversity policy**

Presentation by Claudia Olazabal (DG ENV)

ECVC- pillar II is too complicated to deliver results, controls are complicated. If farmers had a fair income from the market, they wouldn't intensify and we wouldn't have a problem with farmland biodiversity. Need for land planning to protect farmland from being built over. Need to stop the spread of GMOs. Problem with traditional varieties being pushed out by sanitary standards.

Copa-Cogeca- the biodiversity strategy must respect farming's role and food security. Biodiversity loss cannot be stopped without farmer's involvement. Farmers should be partners in nature conservation. The way forward is voluntary schemes with sufficient financing. Agri-environmental measures have proved to be positive and there should be enough financing for them. Stress the need for proper advisory services. According to an Austrian study quoted, biodiversity is now threatened by extensification and land abandonment. For some species the abolition of set aside has been beneficial to biodiversity, e.g. orchid. Others recognise the value of extensive systems and stress the need to support such systems and value them holistically (production, biodiversity, climate etc). The 2010 target has been missed because it was unrealistic- we need "reasonable targets". Some raises that the definition of biodiversity was unclear, argue that data is lacking and that it is important that farmers get more involved.

Ifoam- organic farming is a solution; high tech organic farming can deliver high yields and high quality and give an opportunity to "modernise" NMS semi-subsistence farmers. For example, in Romania 30% organic farming is perfectly feasible.

BirdLife- We need to face reality: huge problems in farmland biodiversity need to be urgently addressed. We must get serious about it and use the CAP to help farmers play a positive role. Intensification is still the main problem in huge parts of Europe and farming organisations should stop trying to cover well documented problems.

Abandonment is very context specific: abandonment of High Nature Value farming is indeed a serious problem that must be addressed, but set aside plots within intensively farmed landscape give proven benefits to biodiversity. We must accept that extensive farming offer delivers exceptional levels of biodiversity, at the same time it is proven that significant improvements are possible also in intensive systems if certain positive actions are taken.

DG ENV reply- Halting biodiversity loss is indeed impossible without farmers involvement. Farmers must play a positive role. But we need to be honest about the scale and nature of the problem. There are huge negative impacts that are due to farming and this has a very solid scientific base. The target didn't fail because it was impossible but because Member States did not do what they had committed to do and this has been accepted by the Council. The EEA has just presented a biodiversity "baseline". We have also a good set of indicators (SEBI 2010) into which massive efforts have gone. We certainly need more research but we know more than enough to start taking effective action. No one is defending land abandonment which is indeed often a problem for biodiversity. The Austrian study quoted seems to contradict all other scientific evidence that shows that extensive agriculture is beneficial for biodiversity. The value of landscape elements and unfarmed elements within intensive landscapes is well documented. Copa-Cogeca is right to worry about soil sealing but it is incomprehensible why then they keep opposing the soil directive which would start dealing with the problem. Agreement that more and better training and advice is crucial.

## **Grassland conservation**

Presentation by Emmanuel Petel (DG AGRI)

Copa-Cogeca- permanent pasture is important for biodiversity and for carbon storage. We need incentives to grasslands. We also need to avoid perverse incentives. While protecting grassland is important we must ensure farmers don't lose the right to use their land. For instance protecting grasslands can mean that when livestock becomes uneconomic, farmers would be forced to maintain grasslands they have no use of, which is unfair.

There are conflicts in some Member States between the requirements defined under the GAEC and some pieces of environmental legislation: in several countries GAEC forces farmers to use the grassland and not to have too much natural vegetation on it. Otherwise they risk to a reduction in the single farm payment.

BirdLife- the current definition of permanent pasture is fundamentally flawed: merging "artificial" ploughed and soan grass with "extensively managed seminatural grassland" which is what need protection. CC doesn't really protect grasslands as it allows biodiversity and carbon rich grasslands to be destroyed and "offset" by any other grass cover. CC is also very poorly implemented and controled. Agree with COPA about the problems arising from lack of Commission guidance that leads many MS to require farmers to destroy natural vegetation ( it should be more explicit). Questions the credibility of the presented figures (huge year to year changes look like statistical artefacts).

Trade unions- stress the need for proper advice and training.

DG AGRI reply- agree that carbon storage and biodiversity are key issues. The Regulation defines grasslands as natural pasture (self seed) as well as grass plantation. However, in case of cultivation, not only one species is allowed but a mixture of seed for pastures has to be used. . MS figures are simply presented as they have been communicated to the Commission- we need to understand what is really going on. Commission has ground controls which will help ensure cross compliance is properly implemented. The system is meant to allow MS the flexibility they need at farm level.

### **Climate change: update on Commission studies on moving beyond 20% GHG reduction**

Presentation by Ger Klaassen (DG CLIMA)

Copa-Cogeca- Farming can reduce emissions but we need a “carrot approach”. Need for synergies between GHG emission reduction, nitrogen application and bio energy production as well as the need to deal with uncertainties. Points to win-wins like reduced fertiliser use or short rotation coppice like willows as alternative to arable farming of peatlands. Main solutions to be looked at are farm efficiency improvements, and other options such as woodland management and anaerobic digestion. New technologies like methane sequestration need to be explored. The issue of shifting beef production outside the EU was raised. Point out that intensive livestock operations are not necessarily bad regarding GHG emissions. Carbon taxation makes sense only if imposed on both EU and non EU production.

BirdLife- we need proper assessment of all measures, for example biofuels mostly don't make climate sense. Many other measures can be counter productive. Other measures are useful but make business sense, so should be promoted but not subsidised with public money. We need to start discussing “food efficiency” just like “energy efficiency”- our current system has lots of waste at all levels. Bioenergy has potential but only when it delivers real GHG savings and is compatible with conservation of natural resources. We need to be careful with anaerobic digestion: it can deliver real savings but can also become a new subsidy for factory farming

ECVC- we need to break the focus on world markets and produce and consume locally. Move milk production from feed to grass. 40% of energy in agriculture goes on fertiliser, while better results can be achieved by using legumes in rotation. Strong position against carbon markets. Biofuels make so little sense that they shouldn't even be mentioned.

DG CLIMA reply- carbon taxes are very difficult to get through council. Attempt is to shift tax burden from energy to emissions. We must redirect subsidies towards achieving carbon goals. The issues with biofuels are well known but we have a binding 10% target. Meat consumption is 180kg/yr in Brazil, 80 in the EU and 2 in India, so there must be space for “healthier diets”. Leakage needs to be dealt with in the climate negotiations (REDD+, LULUCF). Agrees about using “carrots” but the money needs to come from somewhere which can only be either taxes or redirection of existing payments.

## **Directive on long range transboundary air pollution**

Presentation by Andre Zuber (DG ENV).

Copa-Cogeca- farmers need to be fully involved in the debates on the revision of Gothenburg agreement to set emissions ceilings for 2020. Need for global solutions- the level of ambition of the revision should bring a number of other countries into line with the progress that has been made in the EU: not just action in Europe as leakage is a risk. All MS need to do their part. Flexibility and voluntary agreements work best. Question the contribution of farming to particulate matter pollution. Critiques Mercosur for not having similar targets.

DG ENV- we have very effective action on sulphurs and Nox but little progress on nitrogen pollution so we need action on agriculture. Ammonia emissions will not decline under current tools. 250.000 people a year die in Europe because of PM. Ammonia becomes ammonium and attaches itself to particulate contributing to toxicity, so it is a crucial part of the problem. In NL and other parts of Europe, up to 30% of PM come from farming. To achieve targets of the air pollution thematic strategy we need substantial ammonia reduction which can be achieved through technical measures without impact on production. Costs would be 1b€yr while benefits would be 25-50b€yr.

## **Climate adaptation**

Presentation by Istvan Laszlo Bart.

Copa-Cogeca ask about the setting up of the steering group as it is required in the White Paper.

BirdLife points at need to pursue win-win measures. Comm response-adaptation steering group will include Member States, civil society, academia etc. will be launched later in the summer. Wetlands forests etc can contribute to ecosystem water storage- a key adaptation issue. Comm working paper lists many examples of best practice.

## **Livestock study**

No results available yet.

Expert group on agri and climate is meeting at the moment.

Copa-Cogeca asks if stakeholders will be involved, if FAO study “mistakes” are corrected in this study commanded by the Commission, and asks to look also at positive aspects of farming and not just at “problem sectors”.

BirdLife asks whether emissions from feed production are fully factored into the study.

Comm replied - different methodology from FAO study. Various studies take a holistic approach for example DG ENV's on mitigation measures at farm level. An ad hoc advisory committee will be organised to discuss the study with stakeholder's experts. Feed is taken into account.

At the end of the meeting stakeholders expressed satisfaction with the meeting agenda and the good balance between presentation and discussion among members. Chairman asked to the commission whether it will be possible to find a stagiaire from the Commission to take notes of the meeting, as having a separate note keeper would improve the Chair's ability to run the meeting effectively. Commission promised to try to find a solution.

#### *Disclaimer*

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